THE FINANCIAL POST

OF CANADA

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THE SECURITY REVIEW

A SOMEWHAT DEPRESSING WEEK IN THE MARKETS.

Money Rates Have Risen Owing to October Settlements—Commercial Conditions in Canada—Pessimism on Our West Not Fully Justified—The Fireworks in C.P.R.—The General Electric's Preferred Issue—The Steel Meeting Next Wednesday—Statement of the Mackay Companies.

Another somewhat depressing week has ensued in the stock markets. There has been no violent break, but there has been a lack of fortitude. On Thursday several stocks in Wall Street reached fractionally their low point for the year. These were:

	Low Thursday.	Previous low.	High for 1907
U. S. Steel	26¼	26⅜	50⅞
American Woolen .	20¼	20½	48
Southern Railway.	13½	14	42⅛
Central Leather ..	20¾	21	38⅞
Wabash	10½	10¾	26½
Pressed Steel	24¼	25	64⅜
Cast Iron Pipe ..	27	27½	49¼
Colorado Southern.	20¾	21	38⅞

Call money at the same time went as high as 8½ per cent., low 3 per cent., ruling price 6 per cent. This rise in call rates was due to October settlements and certain financing in connection with New York city bonds. In the foreign markets money has been seasonably scarcer owing to the quarterly settlements.

On the Canadian exchanges C.P.R. and Canadian General Electric furnished the startling incidents. Both stocks were under pressure and quickly recovered against the bearish attacks. Canadian Pacific furnished a startling episode in Wall Street on Monday and Tuesday, which is mentioned in detail later. It was curiously foreshadowed in these columns last Saturday. Once again the bears were taught their lesson. Canadian General Electric, after knocking at the door of par on Tuesday, suddenly rushed up to 110, indicating how small is the floating supply on the local exchange.

It is not unlikely that the stock markets will remain around the present level for a time. Incidents will arise to furnish temporary excitements, but the price pendulum will not swing violently in either direction. The feeling of many of the best judges inclines to hopefulness. Once more the statement is repeated that the stock markets have discounted every ill short of a general day of judgment.

In Canada the horizon is undoubtedly more overcast than elsewhere, a fact due to the highly acute monetary famine, the uncertainty of the business conditions, and the pessimistic feeling over the situation in the West. We have been treated to the rather startling statement from Mr. B. W. Snow, the well-known American crop expert, that our wheat crop in the Canadian Northwest will consist of not more than 20,000,000 bushels of milling wheat, and that the crop otherwise will not exceed 40,000,000 bushels of inferior feed grain. On the other hand, Dr. Saunders, of the Dominion Experimental Farm, who has no axes to grind, and is absolutely independent of market operations, says we will have between 50,000,000 and 60,000,000 bushels of milling wheat, and that the Winnipeg estimate of 45,00,000 is too low. On one point the estimates are tolerably unanimous, and that is quantity. There will be a total of between 60,000,000 and 70,000,000 of all grades. This was The Financial Post's original estimate. The saving factor in the situation is the high price of all cereals. The monetary value of the Northwest crop of wheat, oats and barley will approximate last year's value. Assuming that wheat is even as low as Mr. Snow estimates the feed grain will be worth only about 15 cents a bushel less than the average price of all grades last year. Oats and barley are coming to the rescue. From present indications barley will be a big factor. It is selling as high as $1.05 in Minneapolis. The Bank of Commerce's estimate on the price of barley was 35 cents a bushel, but it now looks as if the farmer had a fair chance of getting an average of 60 cents, and the barley crop is around 20,000,000 bushels. Oats are about 75,000,000, and the price is going to be 15 cents better than last year. Considering the advanced price of wheat, the Northwest crop is going to be worth, at the worst, $90,000,000, or about $15,000,000 less than last year. As a matter of fact, the value is likely to be nearer $100,000,000.

The business situation in the West is said by many to be far from encouraging. Payments are in arrears. One of the largest Toronto wholesale houses has said it will not send any traveler to the Northwest this autumn. They have no desire to extend further credits and want their back bills paid before they fill further orders. This is a very unusual state of affairs, and speaks emphatically of the manner in which money has been diverted from its proper obligations. On the other hand, credits have been very much curtailed. The Toronto World on Friday had a gloomy article on the commercial conditions, and it was said therein that one of Toronto's largest wholesale houses stated that on Sept. 3, 90 per cent. of their customers' paper had to be renewed. This is probably an exaggeration, or it is extremely bad business on the part of the wholesale house.

Speaking on this situation, Mr. B. E. Walker, president of the Bank of Commerce, said to the Post: "The statement would be more significant if it were made a month hence. The beginning of September was in the midst of the period when the farmer's money is at the lowest. As a matter of fact, our collections are better than we could have expected. Commercial credits have been largely curtailed by the distributing houses, and with many of the largest wholesale houses in Winnipeg, thirty days is the rule where sixty days was formerly the time."

C.P.R.

As prophesied in The Post, a bear attack was made on C.P.R. on Saturday with the usual result. The shares were hammered down to 158. On Monday morning the stock recovered to around 160, but in the afternoon, when the paucity of the floating supply was revealed, there was a bear panic, and in a few minutes the price soared to 171, closing around that point. On Tuesday there was the inevitable recession and on Wednesday the price was back again around 162. On Thursday the last transaction was 160¼, but 161 was the last bid, just about the same mark as a week before. On Friday it opened up at 162. Its fireworks gave use to considerable comment. The Wall Street Journal even went so far as to propose that the stock should be removed from the list. There is no reason why the greatest trans-continental system in America should not be quoted in Wall Street, and because some misguided people have been foolish enough on several occasions to juggle with the price, it is no argument for its removal from quotations. Such a dispensation is perhaps to be wished for, as C.P.R. would then be free from the hysteria of Wall Street and take its proper place on other exchanges as an absolutely sound and unassailable investment stock, freed from the manipulations of American market-riggers. That consummation can hardly be expected, as there is no doubt that Mr. Jefferson Levy and his associates would continue their abiding faith in it and twist the tails of the unwary bears as heretofore. The fact that Hudson's Bay shares are quoted only in Great Britain has not prevented manipulative tactics from the same source. The effect of the crop shortage in our west on C.P.R. has been magnified in New York. How far it really troubles C.P.R. is discovered in another column.

Mackays.

The Mackay shares have not shown any strength, but they do not differ from other issues in this respect. In view of the publicity recently given in the newspapers to wireless telegraphy across the ocean, the trustees have issued a circular. They do not mention the many technical difficulties that the wireless system must overcome, but their statement is as follows:

"There is every confidence in the ability of the submarine cables to maintain their commercial supremacy in competition with wireless telegraphy, even should the latter extend to trans-Atlantic operation.

"Messages are now transmitted across the Atlantic and answers received in two and three minutes. A delay of ten or fifteen minutes means the defeat of the object of the sender. A most important point also is the fact that 95 per cent. of the Atlantic messages are expressed in code or cipher language, the words or ciphers having no connected meaning. The words or cipher groups frequently differ from each other in only single letters, yet they have widely different meanings, and an error in the transmission of one constituent letter might have serious consequences. These are some of the commercial exactions or demands made upon the cable companies.

"It has taken the Commercial Cable Company and the Postal Telegraph Company and the Commercial Pacific Cable Company, which reach more than two-thirds around the globe, nearly a quarter of a century to perfect their organizations for the collection and distribution of telegrams throughout the United States, Canada, Europe, Asia and the rest of the world. Assuming that a wireless system should become perfected so that it could really compete in a commercial sense, and commercial requirements are very exacting, it is fair to say that it would take as many years to put the wireless system in a position to serve the public as efficiently."

Dominion Steel.

It is not likely that there will be any excitement at the postponed annual meeting of the Dominion Iron and Steel Company, to be held in Montreal on Wednesday. James Ross, the largest shareholder, might have something to say, but he doubtless realizes he has some very determined people to comfort. Sir Henry Pellatt has sent his proxies for 20,000 shares controlled by him to Mr. Plummer, which is the fine retort courteous to any statement that he is to be removed from the board. Sir Henry tells The Financial Post that it is a matter of indifference to him whether he is retained on the Steel board or not. He still firmly believes in the wisdom of a settlement, but as he was unable to accomplish it, in spite of very ardent efforts he is willing to let the matter rest. Nothing further has been suggested. The Post is reliably informed that Mr. Plummer is ready and willing for an adjustment. The suggestion of a banker, made in these columns last week, that the three big Nova Scotia companies, the Dominion Coal, Dominion Iron & Steel, and Nova Scotia Iron and Steel, should all coalesce, seems the most sensible and far-reaching proposal yet made.

Meantime the Dominion Steel Company has redeemed $250,000 of second mortgage bonds through the trustees of the National Trust Company. It has up to date redeemed the following amounts:

1st mortgage	$416,000
2nd mortgage	750,000
	$1,166,000

This leaves $9,334,000 bonds outstanding, as follows:

1st mortgage	$1,750,000
2nd mortgage	7,584,000

The sinking fund on the first mortgage bonds is $50,000 annually, together with interest on the amount of bonds previously redeemed.

Dominion Coal.

The output of the Dominion Coal Company for the first nine months of the year is behind the corresponding period last year. With the increased demands of the Dominion Steel Company, the question naturally arises as to whether the Coal Company is improving its earnings sufficiently to meet the judgment of the trial court if upheld. It is still compelled to perform the unremunerative contract with the New England Gas & Coke Company.

A comparative statement of the output is as follows:

	1907	1906	1905
January	252,248	231,606	160,612
February	226,190	225,716	128,778
March	203,194	310,220	228,765
April	316,384	296,417	221,541
May	328,947	323,777	294,647
June	319,560	325,911	332,926
July	314,559	318,291	329,164
August	316,633	327,734	329,172
September	295,058	323,733	322,288
October	....	350,009	333,317
November	....	308,367	303,440
December	....	206,884	211,877
Totals	....	3,248,565	3,196,527

Canadian General Electric.

In times like the present, when any company is offering new issues, it is essential that they should be made as favorable as possible. The decision to issue $2,000,000 preference shares, preferred only as to their seven per cent. dividend and not as to capital, while arrived at with the best intention, materializes into a grave error of financing. The English investor appears to have been willing to take the stock, but he wants the shares preferred in every respect. A special meeting has been called for October 28th to authorize the issue as preferred both in respect to capital and dividend. If nothing untoward occurs in the meantime it is to be presumed that the English banking firm will still be able to retain their subscribers and that the flotation will be successful. On Tuesday, after selling around par on Monday, the stock jumped to 110 ex dividend of 2½ per cent. The floating supply here is very small and attacks on the stock are open to risk. The minute any support occurs the quotations quickly rebound. There are statements made that the meeting on October 28th is likely to be a stormy one, but there is nothing to be gained by any opposition. The money is highly necessary and if it can be secured on a seven per cent. basis it is cheap money, as industrial financing is going at present. It is stated that the entire issue was over-subscribed through Sperling & Co., and there is every confidence that the subscribers will not alter their first choice.

Toronto Electric Light.

The Toronto Electric Light Company's new issue of $1,000,000, about which there were foreboding prophecies, in view of the city of Toronto's unsuccessful attempt, is being rapidly taken. Sir Henry Pellatt, the president, announces that it will be entirely subscribed for by the shareholders and that the underwriters will not be called upon. The issue is the common stock at par, on which the present rate of dividend is 8 per cent.

Mexican.

The shares of the Mexican Light, Heat and Power have exhibited a little strength owing to the statement made that the new issue of preferred stock has been practically sold to a European syndicate.

NOTES.

Gordon Tait, of the Royal Bank, in Montreal, has been sick with typhoid for the last month.

The Royal Bank are opening a branch at Niagara Falls during the coming week. Their Regina branch will be opened by Mr. Bowser as manager.

The Banque D'Hochelaga are just starting to build a new branch at the corner of Delorimier and Mount Royal avenue, Montreal, and expect to occupy the same next spring.

The Montreal Bank announce the following changes: J. F. S. Gillum, accountant teller, of Vancouver, to accountant teller of Greenwood; N. F. Kendall, accountant at Greenwood, to be accountant at Nelson.

It is said that Sir Montagu Allan will be elected to the Dominion Steel Company Board at the meeting on Wednesday. It is unlikely that Sir Henry Pellatt will be displaced, as was previously stated in the daily newspapers.

The Standard Oil Company's total surplus amounts to $261,000,000.

CANADIAN PACIFIC

ITS PROSPECTS FOR THE CURRENT YEAR.

The Effects of the Crop Shortage—The First Two Months' Net Revenue Show Small Increases—A Good Prospect of Scoring Large Gains in Four Bad Months—Earnings Will Not Be Seriously Impaired by Smaller Crop—The Hidden Assets and Equities.

The Canadian Pacific Railway has completed one more year than its quarter century, and the twenty-sixth annual meeting of shareholders was held in the company's offices in Montreal on Wednesday, the 2nd inst. The English shareholders will be interested in knowing that unlike most Old Country company meetings, the proceedings took place entirely as arranged. There was no alteration in the programme caused by inquisitive questions or heckling criticism. There was no cause for anything of this nature, and the only opportunity that could have arisen would have been a desire for information on the part of any shareholder who held both C.P.R. shares and the shares of its subsidiary company, the "Soo" line. He might reasonably have asked the why and wherefore of that peculiar issue of "Soo" stock, and what would be the result to the Canadian Pacific Railway.

The inherent strength of the company is being demonstrated in so many ways that the address of the President, Sir Thomas Shaughnessy, necessarily confirmed many strong points.

In placing the shrinkage in marketable wheat at 25 per cent., the President may be more optimistic than many authorities, but his estimate is likely to be as correct as any other, although this year the earlier crop reports of the C.P.R. were far too glowing. It is appropriate here to consider what effect this shrinkage in the crop will have on the C.P.R.'s earnings. It means 20,000,000 bushels less sent to market. Assuming as a maximum that C.P.R. were itself to lose the carriage of the entire twenty million bushels, it would mean a loss in gross earnings of only $1,500,000, consequently, the direct effect on earnings is not serious. There is no doubt that the monetary value of the Western crop will fall only slightly below that of last year. Indeed, if oats and barley continue to hold their present prices, and with the prospect of feed wheat selling this year as high as graded wheat a year ago, the money value may be greater. While certain sections are going to suffer, the total amount of money earned in the Western country will be nearly the same as last year, and this is a strong factor in the C.P.R. situation. If the demand for the coarser grains continues, the heavier tonnage gained even on local hauls will go a long way towards making up the deficiency in the light-weighted wheat. The crop damage, therefore, in itself will not bear seriously on earnings. Its influence on immigration is another question. Whether the severity of last winter and the trouble which crop damage has caused to the newcomers in many sections will exercise a chilling effect on further immigration, is another matter.

Certainly the West can hardly be expected to be so active for the next year as it has been. Consequently, large increases in earnings need not be expected. The gross earnings for July and August, the first two months of the fiscal year, have advanced nearly a million dollars per month, but September gross traffics have dwindled to an increase of only $250,000. The gain in net earnings for the two months of July and August was only $242,000, thus exhibiting the great advance in cost of labor and materials. There is, however, some other reason for the very small proportionate gain in net, and it is possible that even a more conservative method of bookkeeping has been adopted for the current year. Comparatively, with July and August, therefore, September should show a decrease in net earnings.

We cannot, therefore, expect, in view of the results of the past three months, that any very large increases in net earnings will be recorded under normal conditions. It is not to be expected, however, that the same abnormal winter will again occur, when for the four months of November, December, January and February, decreases in net earnings were recorded amounting to $1,481,839. It is fair to assume that, given an ordinary winter, the company should not only retrieve their losses, but make the same gain as the gross earnings would warrant. Figured on this basis there is a reasonable prospect of an increase in net earnings over the four bad months of last year of $4,000,000. The possibilities, therefore, for the current year warrant the expectation of a larger increase in net revenue than the returns for the first two months would indicate.

Sir Thomas Shaughnessy, in his remarks, referred to the suggestion that more information should be given in regard to the value of the land assets. He pointed out the difficulty of doing so with accuracy, but said that there was every reason to believe that their 8,900,000 acres of farm lands in the Northwest should bring a considerably higher price per acre than heretofore realized, and that the lands in British Columbia (which are 3,400,000 acres) had a good value for timber, and that also coal would very possibly be found on them. Adding to the president's statements, it may be said that the price of lands actually sold during the year, apart from previous contracts was $8.09 per acre. It would appear that the estimate of $120,000,000 as the amount to be derived from land sales is not out of the way. It can be figured thus:

Acres.	
8,500,000 farm lands at $9 ...	$76,500,000
350,000 in irrigated area at $20	71,000,000
3,400,000 in B.C. at $10	34,000,000
	$117,500,000

In this estimate an allowance has been made for bad lands. The land values are, therefore, very approximately equal to the present issue of common stock, $121,680,000. The present value cannot, however, be said to be $120,000,000, and $80,000,000 would be nearer the mark. In addition, there are due, in deferred payments on land $15,854,000, bearing interest at 6 per cent. It is not true, however, as has been stated, that the C.P.R. owns almost all the stock of the Canada Northwest Land Company. In its list of acquired securities it states $140,625 as the par value of its Northwest Land shares. This would mean 17,578 shares, at $12.50 each, but the holding is not so large as this. The value of its Northwest Land holdings, assuming that the shares are worth $125, probably does not exceed $1,000,000.

On the subject of value, there is much information to be gathered from a scrutiny of the acquired securities. These appear in the balance sheet at cost, viz., $53,457,913. Their par value is $98,782,853. The actual value is more than the par, after making allowance for the rubbish which must necessarily have been taken over, such as Duluth ordinary shares. There is an equity of $50,000,000 in these securities. We have, therefore, apart from a railway which is capable of earning between 13 and 15 per cent. on its common stock, in the ordinary course of its operations, assets which may be denominated in round figures as follows:

Unsold lands, present value...	$80,000,000
Deferred payments, $16,000,000, at 6 per cent., present value	20,000,000
Equity in acquired securities	50,000,000
Cash on hand	20,000,000
Total	$170,000,000

With 14,000 shareholders holding not over 50 shares, and with 74,000 employes, it is easy to understand why C.P.R. stock is on a four per cent. basis and resists all efforts to put it in line with railroad systems that operate in the neighboring republic, and are only now beginning to appreciate the value of British institutions, of which the C.P.R. is a prominent entity.

THE SOO ISSUE.

It Looks Like a Tactical Error—A Definite Dividend Policy Should Be Stated.

The new issue of the Minneapolis, St. Paul & Ste. Marie Railway Company has created a considerable amount of criticism. The conditions have apparently confused the shareholders, although once understood they are quite simple. The present issue is 14,000 shares of preferred, and 28,000 shares of common, at par, and each shareholder is entitled to one new share for every five old shares, the proportion of preferred to common to be allotted is as one to two. Thus a holder of 30 old shares (whether common or preferred) is entitled to subscribe for six shares of new stock, divided as follows: Two shares of preferred and four shares of common. An objectionable feature is that the preferred shareholder, if he subscribes, must take double the amount of common stock. He cannot increase his holding of preferred in proportion, except by selling his new common shares, and in this respect he is hampered because the market price of common is below the issue price. The rights are of a very minor value, and are quoted only at ⅛. As a matter of fact, assuming that 125 is the normal market price of preferred, and 95 the normal for common, the holder of 30 old shares pays $600 for new shares, which are worth as follows:

2 shares pref. at 125............	250
4 shares common at 95	380
Total	$630

The subscriber has, therefore, an advantage of $30, or $1 a share. Even on this basis, at the present time, this privilege is not sufficiently attractive. The president, Thomas Lowry, has issued a circular which implies that the dividend on the common stock will shortly be increased. The time for making the new subscriptions expires on Oct. 15. It looks as if the new issue had been badly arranged. Without any definite promise as to increased dividends it is hardly likely that the new issue will be fully subscribed for. It will then devolve on the real owners of the road, the Canadian Pacific Railway, to take up the balance of the issue. The dividend is then increased and the C.P.R. will gain the benefit while the shareholder who has not subscribed, either wearied by the delay in increasing the dividend or the lack of a market will feel that he has been imposed upon. Nothing could, of course be farther from the minds of the controlling interests, but such will be the effect of their action. We believe the bull may as well be taken by the horns at once, and a definite announcement made in regard to the dividend policy, so that the shareholder may know exactly how he stands. At present he is in the dark, and the following circular does not throw any clear light on his obscurity:

"There has been no increase in the capital stock of the company since its incorporation in 1888, although in the meantime the mileage of the railway has been increased from 800 miles to 2,290 miles. In providing means for the construction and acquisition of the additional mileage necessary from time to time, the company is limited to the issue of first mortgage bonds at the rate of $20,000 per mile of railway so constructed or acquired. While the amount realized from the sale of these bonds has been sufficient to meet the cost of constructing or acquiring the new lines, it left no adequate margin for the rolling stock equipment, terminal yards and buildings and other facilities that were rendered absolutely necessary by the greater length of line and the increase year by year in the volume of your traffic, and, therefore, your directors were compelled to have recourse to the net revenue of the company to meet these unavoidable capital expenditures. As a result, the dividend paid to the holders of the ordinary stock of the company during the past few years has been limited to four per cent. per annum, although the net revenue of the company, dealt with in a most conservative way, would have warranted a larger distribution of profits."

We are well aware that the Soo directors have had many difficulties in regard to this issue, and certain stategic reasons for not increasing the dividend earlier, but in stringent times, the investor's prospects should be explained as clearly as possible.

LAKE SUPERIOR CORPORATION.

Earnings Disappointing—The Cost of Pig Iron—Income Bond Interest Will Not Be Paid.

The Lake Superior Corporation's annual meeting, which was to have been held in Jersey City on Wednesday, was postponed for lack of a quorum. The financial statement was disappointing and not nearly as favorable as expected, owing to the unfavorable situation in regard to pig iron. The corporation is unable, with its present capital, to produce enough of its own pig iron and the high price it has paid for supplies has eaten seriously into what would have been increasing profits. The result is that the total income has declined from $1,138,744 for the year ending June 30, 1906, to $678,811, for the year ending June 30, 1907. It is said that the interest on the income bonds of $3,000,000, amounting to $150,000, will not be paid this autumn. The surplus, $29,630, showed a decrease of for the year, makes a total surplus of $527,250. The balance brought forward on June 30th, 1906, was $591,683, which, added to the surplus $621,313, less 5 per cent. paid on income bonds October, 1906, $150,000. The balance of undivided surplus on June 30, 1907, was, therefore, $471,313.

BANK OF ENGLAND.

The rate of discount of the Bank of England was unchanged at 4½ per cent. A year ago it was 4 per cent. Two years ago it was 4 per cent. The statement of the bank shows the proportion of reserves to liabilities 48.86 per cent., compared with 51.30 per cent. last week, 38.50 last year, and 38.60 two years ago. The loss of 2.44 per cent. this week compares with a loss of 4.33 per cent. a year ago. The statement shows:

		Increase.
Reserve	£26,001,000	£*2,403,000
Circulation	29,732,000	741,000
Bullion	38,725,815	*1,661,829
Other securities..	22,628,000	214,000
Other deposits .	31,136,239	*1,501,000
Notes reserve ..	24,187,000	*2,453,000
Gov't securities.	14,632,600	*2,000

*Decrease.

Mr. Alex. Laird, general manager of the Bank of Commerce, has almost fully recovered his health, and will return from abroad this month.

BANK OF MONTREAL

(ESTABLISHED 1817)

Incorporated By Act of Parliament

Capital (all paid up); $14,400,000.00. Rest, $11,000,000.00. Undivided Profits, $422,689.98

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Province of Quebec—Buckingham; Cookshire; Danville; Fraserville: Grand Mere; Lake Megantic; Levis; Montreal—Head Office, Hochelaga, Papineau Avenue, Point St. Charles, Seigneurs Street, Ste. Anne de Bellevue, St. Henri, West End, Westmount; Quebec; Quebec, Upper Town, St. Roch's; Sawyerville.

Province of New Brunswick—Andover; Bathurst; Chatham; Edmunston; Fredericton; Grand Falls; Hartland; Moncton; Shediac; St. John; Woodstock.

Province of Nova Scotia—Amherst; Bridgewater; Canso; Glace Bay; Halifax; Halifax, North End; Lunenburg; Mahone Bay; Port Hood; Sydney; Wolfville; Yarmouth.

Northwest Provinces—Altona, Man.; Brandon, Man.; Calgary, Alta.; Edmonton, Alta.; Indian Head, Sask.; Lethbridge, Alta.; Oakville, Man.; Portage la Prairie, Man.; Raymond, Alta.; Regina, Sask.; Rosenfeld, Man.; Saskatoon, Sask.; Winnipeg, Man.; Winnipeg, Fort Rouge; Winnipeg, Logan Avenue.

Province of British Columbia—Armstrong; Chilliwack; Enderby; Greenwood; Kelowna; Nelson; New Denver; New Westminster; Nicola; Rossland; Summerland; Vancouver; Vancouver, Westminster Ave.; Vernon; Victoria.

IN NEWFOUNDLAND: ST. JOHN'S, Bank of Montreal. BIRCHY COVE, Bay of Islands, Bank of Montreal.

IN GREAT BRITAIN: LONDON, Bank of Montreal, 46-47 Threadneedle Street, E.C. (F. W. Taylor, Manager.)

IN THE UNITED STATES: NEW YORK (R. Y. Hebden, W. A. Bog, J. T. Molineux, Agents), 31 Pine Street. CHICAGO, Bank of Montreal (J. M. Greata, Manager). SPOKANE, Wash., Bank of Montreal

IN MEXICO: MEXICO, D.F. (T. S. C. Saunders, Manager.)

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LONDON, The Bank of England.
" The Union of London and Smith's Bank, Ltd.
" The London and Westminster Bank, Ltd.
" The National Provincial Bank of Eng. Ltd.
LIVERPOOL, The Bank of Liverpool, Ltd.
SCOTLAND, The British Linen Company Bank, and Branches

BANKERS IN THE UNITED STATES

NEW YORK, The National City Bank.
" The Bank of New York, N.B.A.
" National Bank of Commerce of New York
BOSTON, The Merchants' National Bank.
BUFFALO, The Marine Natl. Bank, Buffalo
SAN FRANCISCO, The First National Bank.
" " The Anglo Californian Bank, Ltd.

THE MERCHANTS' BANK OF CANADA

ESTABLISHED 1864

Head Office, Montreal

President—Sir H. Montagu Allan
Vice President—Jonathan Hodgson, Esq.
E. F. Hebden, General Manager

Capital Paid-up	$6,000,000
Reserve Fund and Undivided Profits	4,034,256
Total Assets	53,000,000

120 Branches and Agencies in Ontario Quebec, Manitoba, Saskatchewan, Alberta, and British Columbia.

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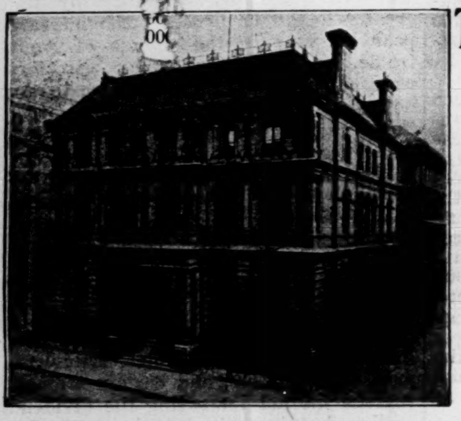

HEAD OFFICE, MONTREAL.

THE MOLSONS BANK

Capital paid up, $3,360,170
Reserve Fund, - 3,360,170

JAMES ELLIOT - General Manager
A. D. DURNFORD - Chief Inspector

61 BRANCHES THROUGHOUT CANADA

THE METROPOLITAN BANK

Capital Paid up - - - - -	$1,000,000.00
Reserve Fund and Undivided Profits -	$1,183,713.23

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HIS HONOR SIR W. MORTIMER CLARK, K.C.
THOMAS BRADSHAW JOHN FIRSTBROOK JAMES RYRIE

Head Office: TORONTO

W. D. ROSS, GENERAL MANAGER.

GENERAL BANKING BUSINESS. SAVINGS DEPARTMENT AT ALL BRANCHES

BANQUE D'HOCHELAGA

Capital Authorized, $4,000,000

Capital paid up, $2,482,000 Rest and undivided profits, $2,045,894

DIRECTOR:

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ROBT. BICKERDIKE, ESQ., M.P. - - - Vice-President
HON. J. D. ROLLAND, ESQ. J. A. VAILLANCOURT, ESQ.
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AMERICAN BANKERS

THE ASSET CURRENCY RESOLUTION THEIR CHIEF WORK

At Last Week's Convention—It Contains Many Features of Interest to Canada—Provision for Elastic Currency Legislation—Mr. Barton Hepburn's Able Exposition—A Central Bank of Issue Favored—The Present Universal Stringency Explained—Other Measures of Importance

The most important work of the American Bankers' Association, which held its annual meeting at Atlantic City last week, was the passing of a resolution advocating the issue of an asset currency as an auxiliary to the present issue. This measure has been advocated for several years by Mr. A. Barton Hepburn, formerly Controller of the Currency. Its provisions are of special interest to Canadian bankers because several of the features of the proposal are the same as now obtain in Canada, such as the percentage payable to a common fund for the security of the currency of insolvent banks, and the provision for speedy redemption of bank currency. While the mere passing of this resolution does not signify that it becomes a part of the American banking system, its adoption by the association which represents the interests of 9,251 banks in the United States will have great weight in influencing the adoption of a currency bill at the next session of Congress. The report of the Committee on Currency also favored the establishment of a central bank.

In addition to the currency bill, the association passed resolutions favoring a uniform bill of lading, a definite plan for a money order system which will make it a live competitor with the Post Office and express money orders, the federal control of trust companies, an amendment of the Sherman Act which now makes it a criminal offence for any agreement as to prices by competitors. Addresses were delivered against the over-counter insurance plan of the Massachusetts Savings Banks, the opening of banks in the evening and the Postal Savings Banks, while addresses were made to the trust company section favoring an independent audit, uniform laws for savings banks, and education of the public by advertising.

The New Elasticity.

Mr. Barton Hepburn, Chairman of the Committee on Currency, made the most important speech of the convention in introducing the resolution.

The currency plan recommended by the commission may be summarized as follows:

1. Any national bank having been actively doing business for one year and having a surplus fund equal to twenty per cent. of its capital, shall have authority to issue notes as follows, subject to the rules and regulations to be determined by the comptroller of the currency:

(a) An amount equal to 40 per cent. of its bond-secured circulation, subject to a tax at the rate of 2½ per cent. per annum upon the average amount outstanding.

(b) A further amount equal to 12½ per cent. of its capital, subject to tax at the rate of 5 per cent. per annum upon the average amount outstanding in excess of the amount first mentioned.

2. The same reserves shall be carried against credit notes as are now required by law to be carried against deposits.

"It provides a 5 per cent. guarantee fund, from which to redeem the notes of any defaulting bank; it provides numerous redemption cities conveniently located in various parts of the country. A study of the statistical history of the national banking system from its inception will leave no doubt in the minds of candid men as to the goodness of the proposed note issue and its certainty of redemption.

"Life insurance is predicated upon mortality tables gleaned from vital statistics of the human race, and such business is conducted with safety and in enormous volume. Fire insurance is predicated upon the destruction of property by fire over a period of years and the amount of premium necessary to cover the risk ascertained with reasonable certainty. How much easier and with how much greater certainty is the mortality or longevity of banks ascertained. With over forty years of complete statistical history of the national banking system before us, we must conclude with certainty that the guarantee fund is more than sufficient to redeem any of the proposed currency in case any bank issuing the same should be guilty of default.

Government Bonds Protected.

"By basing the amount of the proposed issue of credit currency upon the bond-secured currency of each bank, the value of government bonds, now so largely owned by the banks, is preserved and protected. The proposed plan is neither comprehensive nor radical: it seeks to engraft upon existing laws simple changes which will admit of increased bank note circulation in response to the increased demands of business which accompany periods of business activity—witness the crop-moving season. It also contemplates the retirement of such circulation with the abatement of such demands. It seeks to provide such increase at the instance of the issuing bank, in response to the demands of its customers; it seeks also, by convenient points of redemption, to secure the retirement of such issue whenever the demand which called the same into being has been satisfied. Not being secured by high priced bonds, yielding a low rate of interest, there would be less feeling of constraint to force such notes into use as much as possible. In fact, with convenient points of redemption, the outstanding period of such notes would be limited. It is the opinion of those most experienced that the function of such currency would be to serve the retail and small change purposes of the immediate constituency of the bank issuing the same.

Ease of Redemption.

"The farther the point of redemption from the bank of issue, the more expensive it would be. Banks in central reserve cities could not issue and put into circulation such a currency, unless for use in its immediate vicinity, except at a time when there is a demand for currency shipments from other localities. Then they might use such currency and serve the public, while at the same time protecting their reserve money. Whenever the currency demand was satisfied, such far-away notes would seek the nearest redemption agency of the bank issuing the same and travel home at the expense of the bank of issue. Some have expressed fear because in case of the maximum issue under the proposed law, the liabilities of the banks might be increased approximately $200,000,000. Deposits with national banks, which like notes of issue, are demand obligations, redeemable at the instance of the depositor or holder, have increased from $725,000,000 in 1866, to $6,189,000,000 in 1907, and public confidence in our national banking system has grown with each year. Whenever such currency is put into circulation and becomes a liability of the bank, some good asset, presumably the note of a solvent customer, goes into the assets of the bank, thereby offsetting the liability. There is no fear to be apprehended from a possible maximum issue under the proposed plan."

Wall Street Not Considered.

In reply to the outcry that the project was advocated so as to assist Wall Street, Mr. Hepburn pointed out that the currency did not affect stock exchange transactions, which were all carried on by cheques, nor did bank notes concern the clearing houses' transactions of New York City banks as these balances were all settled in gold, silver or legal tender.

The Universal Stringency.

"I believe such a currency would materially serve the public interest, relieving and preventing the periodic stringencies which occur under existing laws. No currency system can relieve such a money stringency as exists at the present time, for the reason that it is more a question of mobile capital than currency. This is evidenced by the fact that practically the same condition of money stringency exists throughout the world. The utilization of electricity as a luminant, a motive power, and a means of oral communication has developed a world-wide industry, calling for the expenditure of large sums of money. It has induced a complete reorganization of all street car and suburban service throughout the world, and it is only a question of time when electricity will supplant steam on our railroads generally. Not to particularize, the business transformations, as well as improvements, which have characterized the past few years, have been unprecedented, both in amount and in expense involved. In our own country a 'hot-house' system of development obtains. People seem determined to realize at once what ought normally to require many years for development, and the waste and destruction incident to such a policy are as phenomenal in amount as they are criminal in fact."

Germany, Russia and France.

Mr. Hepburn's address then dealt with the advisability of establishing a central bank of issue. In a general survey of the monetary stringency he pointed out how Germany, under the inspiration of her government, had been extending her trade to every portion of the globe and had by her expansion taxed her financial resources to the utmost. He showed how Russia was unable to obtain further loans abroad on account of the Douma's action, which, while recognizing pre-existing obligations, refused to recognize any future issues that were not approved by it. This had caused a withdrawal of the Russian Government's balances in foreign capitals. Paris had suffered of course the greatest, as there are owned in France about $2,000,000,000 of Russian securities. The balances having been withdrawn by Russia, there were no funds in hand for payment of interest on the Russian loans.

England and Her Consols.

"England has been called upon by every one of her colonies and dependencies from Egypt to the Cape and from Canada to the Horn. World-wide prosperity has made world-wide increase in financial demands upon London, and has found London bankers illy prepared to meet the strain. The successive issues of British consols, made to finance the Boer war, were taken by London bankers in patriotic support of the government, and also to protect the credit fabric upon which all their values were based. These consols yield a very low rate of interest. They have sold many points above par and were taken at an average of 95, and these bankers naturally hoped that a return of peace would bring an investment demand which would yield them a profit and thus compensate for the very low interest rate. Peace brought no investment demand, and London still carries these consols, now paying ... per cent. interest, with a shrinkage in market value of 15 points. The municipal indebtedness of Great Britain has increased wonderfully during the past few years, and the shrinkage in value of her "municipals" is quite as great as ours. Commerce, backed by diplomacy, has been knocking at the doors of oriental exclusiveness until their doors now stand ajar and the oriental stands at the doors of our counting houses prepared to utilize his credit to an unlimited extent. The destruction of values by the Russo-Japanese war has been estimated from $1,000,000,000 to $2,000,000,000. The South African and other smaller wars have largely contributed to the waste. Seismic disturbances in California and Chili have recently shown an appalling total of values wiped out of existence.

Great Demand for Capital.

"All the above causes have made demands for capital to which the world cannot easily respond, and that is the explanation of the world-wide tension in the money market now existing. It is a call for capital rather than currency, but currency is the barometer that measures the intensity of the demand. The remedy is a careful and economical administration of affairs until our mines, our crops, and our industries produce sufficient wealth to offset the loss and destrdction by war and the elements, and in addition the accumulated wealth must equal the credits already created in anticipation of future development. When that time arrives a normal condition will have been restored. No currency system can meet and normalize existing conditions. It is a question that must be solved on the farm, in the mine, the factory, and in the counting house, by all the wealth-producing agencies which we possess.

A Central Bank.

"Judged from an historical and scientific standpoint, the currency system of a country can best be administered through the instrumentality of a central bank of issue and provided that the note-issuing privilege then possessed by existing banks should revert to this central bank of issue whenever for any cause the various banks should surrender or forfeit the same. United Germany has taught us the same lesson, closely following the example of England, but

(Continued on page 7.)

THE CANADIAN BANK OF COMMERCE

HEAD OFFICE, TORONTO ESTABLISHED 1867

B. E. WALKER, President.
ALEX. LAIRD, General Manager,
A. H. IRELAND, Superintendent of Branches

Paid-up Capital,	$10,000,000
Rest, - - - -	5,000,000
Total Assets, -	113,000,000

BOARD OF DIRECTORS:

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Matthew Leggat, Esq., A. Kingman, Esq., Hon. W. C. Edwards
James Crathern, Esq., Hon. L. Melvin Jones, Z. A. Lash, Esq., K. C.
John Hoskin, Esq., K.C., LL.D., Frederic Nicholls, Esq., E. R. Wood, Esq.

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Wm. Gray and H. B. Walker, Agents

Toronto Branch
M. Morris, Manager
C. Cambie, Asst. Manager

London (England) Branch: 2 Lombard Street, E.C.
S. Cameron Alexander, Manager

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The Dominion Bank

HEAD OFFICE - TORONTO, ONT.

Capital Paid-up - - - - -	$3,600,000
Reserve Fund and Undivided Profits - - - -	4,565,000
Deposits by the Public	35,000,000
Total Assets -	50,000,000

DIRECTORS.

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WILMOT D. MATTHEWS, Vice-President
A. W. AUSTIN, JAS. CARRUTHERS, J. J. FOY, K.C., M.L.A.
W. R. BROCK, R. J. CHRISTIE, A. M. NANTON
CLARENCE A. BOGERT, General Manager
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THE BANK OF TORONTO

Incorporated 1855

HEAD OFFICE, TORONTO, ONT.

Capital - -	$4,000,000
Rest - - -	4,500,000
Assets - -	38,000,000

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MONEY LOANED to responsible people.

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CHICAGO - - - First National Bank
LONDON, ENG. - London City and Midland Bank

THE BANK OF TORONTO

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General Manager.

Toronto Humane Society

103 Bay Street

President—Ven. Archdeacon Sweeny, D.D.
Hon. Treas.—Col. John I. Davidson.

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Dora Speers, Secretary

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THE
ROYAL BANK OF CANADA

INCORPORATED 1869

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Reserve - - -	$4,390,000
Total Assets - - -	$46,400,000

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Head Office, Toronto
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ÆMILIUS JARVIS - President
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R. CASSELS, Asst. Gen. Manager

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PHONE MAIN 6090

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La Banque Nationale

On and after Saturday, the second of November next, this Bank will pay to its shareholders a dividend of one and three-quarters per cent., **being at the rate of seven per cent. per annum**, upon its capital for the quarter ending on the 31st of October next.

This dividend will be paid according to the list of shareholders inscribed on the 16th October.

By order of the Board of Directors.

P. LAFRANCE,
Manager.

Quebec, 24th September, 1907.

DR. SHEARD'S WARNING.

A Grave Danger to the Community.

The warning given by Dr. Sheard as to the presence of dangerous impurities in the city water is one that should be heeded by citizens of all classes.

Boiling the water should be a rule in every house, even for purposes such as brushing the teeth, as the most minute particle of water is quite sufficient to do harm.

Those who can afford to purchase Radnor Water, however, have the satisfaction of knowing that this delicious, sparkling beverage comes from the foothills of the Laurentian Mountains, hundreds of miles away, and is absolutely free from contamination of any sort.

Keep a supply of Radnor in your house and avoid all danger.

THE BANKS' ONE MISTAKE

THEY DID NOT SHUT DOWN SOON ENOUGH.

A Conservative Western View—The Weather Continues Hostile to the Wheat—Good Threshing Returns From Manitoba—The Ogilvie Company Profits by Its Prevision—The Satisfactory Results of the Labor Congress—The Endorsation of the Lemieux Act.

Winnipeg, Sept. 23.—The west has again suffered at the hands of the weather the past week. It has been very cold for the time of the year and has been unsettled in the extreme, with showers in Manitoba and Saskatchewan, and snow in Alberta. Consequently, the movement of the crop cannot be said to have properly started yet. There has been some threshing in Manitoba, where people are being agreeably surprised at the way things are turning out. Of course, the earliest wheat is always the best, and this will be particularly the case this year, because the early cut wheat will have escaped the frost. Up to date, out of 77 new cars inspected, 10 have graded one northern, 30 two northern, 14 three northern, one No. 4 and 22 rejected. This goes to show that there will be considerable milling wheat in Manitoba, and the farmers in this province should have a particularly good paying crop.

Of Saskatchewan and Alberta it is hard to speak with any authority. There have been no samples from the far west, as threshing has not started there yet. The reports coming in are not optimistic and we fear that numbers of farmers have had their crops completely ruined by frost. Whatever the yield may turn out, there is little doubt that nearly the whole has been injured as to grade. In fact, it is certain that there will be millions of bushels of feed wheat for sale this season. The encouraging feature in the situation is that other countries seem to have harvested short crops just as much as the Canadian west, with the result that prices have soared and the farmer will be able to sell his poor wheat for as much money as he realized for his good wheat last year. Oats, barley and corn have also gone up in price, so that even feed wheat will bring a good return this season. Naturally, the price of old-crop wheat has advanced to big figures, and people in the west are talking of the large amount that has been made by the Ogilvie Flour Company. The managers of this company made up their minds in the early summer that the west could not harvest a good crop this year after the very late seeding. They, therefore, decided to buy up and hold as much of the old wheat as they could finance, so that whatever happened they would be sure of good milling wheat. Everything has favored them and there is no doubt their profits must have been very large, indeed, for the wheat market has touched during the week the highest point for several years.

The writer had a conversation a few days ago with a prominent member of the Saskatchewan Government. He thought that this year would be a lesson to the farmers of the west. It might be a hard lesson, but good would come of it in the end if it showed that farms devoted solely to wheat are risky propositions. There is no reason why mixed farming should not be the rule in this country, instead of the exception. Then, if the crops were frozen, good money would be made by feeding it to the hogs. The prosperity of the farmer would be on a surer basis, for he would not be dependent solely on his wheat. This is the lesson which will be driven home better by the present situation than by any preaching or advice, to which the farmer generally pays no attention.

In general business circles the conservative men and companies are the ones which feel most comfortable. For years the westerner has enjoyed good times and has been apt to scoff at the older communities, which are content to make money slowly. There came to be an idea that hard times were not for the west, because the west was more progressive and able in business affairs. It would be amusing, were it not also serious, to see these same westerners when they are caught short of money, turn to the older countries for loans, and to hear them complain that they are not squarely treated when they cannot borrow as much as they expected. It is no uncommon thing to hear the banks called names because they have stopped lending money freely, as though there was a plot on foot to ruin certain business men. As a matter of fact, the only mistake that has been made is that the banks were too slow in shutting down. If they had started their conservative policy a year earlier, it would have been better for all concerned. There have been one or two failures in Winnipeg during the week, but we cannot say how bad they are. It is stated that speculation in real estate is the cause.

The Labor Congress has just finished its session in the city and it is possible to say a word or two on some of the resolutions. Delegates were present from all parts of Canada, and also a few from the United States. Among them were a few ultra-socialists, who would be willing to go to any lengths in their opposition to capital. We are glad to say, however, that they were in the minority, the bulk of the delegates seeing quite clearly that agreement between capital and labor is necessary for prosperity.

The Asiatic invasion, being a question of the hour, naturally took up a great deal of the convention's time. A resolution was passed that the immigration of the yellow races is a menace to the working men of Canada and must be restricted. A telegram was sent to Sir Wilfrid Laurier, asking that treaties with the Japanese Government be annulled and steps taken to keep the Japanese out. The premier has replied that he does not think it wise to act hastily in the matter, seeing the present treaties were made to secure trade and that not merely Canadians would be affected by any rash act.

Another matter under discussion was the Lemieux Industrial Disputes Act, which, after some arguments and opposition by the railroad labor organizations, was endorsed by the congress. This is a matter for congratulation. The act bears the stamp of fairness and is designed to prevent strikes till the public has had time to form an opinion on the matters under dispute. Properly enforced, it will do much to prevent strikes, but there have been indications that the Government was rather afraid to fearlessly enforce it. This endorsation by the Labor Congress will strengthen their hands by showing that the workmen are in favor of the act and desire that it should be lived up to.

It was proposed that a permanent secretary should be appointed for the congress, but this idea was given up on account of the expense being too heavy. The great distances in this country and the consequent expense in traveling makes it difficult for working men to keep such organizations going. There can be no doubt that advantages must be gained by having such meetings where delegates from all parts of the country can calmly discuss the problems of the working man. We, therefore, hope they will not be deterred by lack of funds from keeping the organization of the congress fully alive.

GREATER PUBLICITY.

A Well-known Financial Writer Asks Canadian Companies to Give Their Shareholders More Information.

The following letter from George C. Biggar, formerly financial editor of the Globe, and now a member of the firm of Jaffray & Cassels, stockbrokers, Toronto, is very much to the point. In the list of companies which might give essential information should be included the Dominion Coal Company, which does not publish gross earnings, or give any information as to how much money has been spent on capital account out of revenue:

To the Editor of The Financial Post:

An official statement just issued by the Standard Oil Co. states that that corporation is about to adopt the policy of issuing "periodical statements of earnings, operations, etc." This policy is to be adopted "so soon as the Standard Oil Co. has freed itself from the labyrinth of litigation now involving it." The public is left to form its own conclusion as to how far this "labyrinth" has been the cause of the adoption of a more open policy. Surely this decision of the Standard Oil Co. carries a lesson which should early be taken to heart by those in control of Canadian industrial companies who appeal to the public for funds. Do they intend to wait for some similar prosecution before they recognzie the growing force of the investors' demand for fuller information? The fact that shareholders are the proprietors, and that directors are only their trustees is recognized in English finance, and is being more and more recognized in American finance. Canadian industries will continue to find difficulty in securing capital until the same fact is more fully recognized by directors in Canada.

A couple of years ago this subject of fuller and more frequent official statements was agitated by the writer in the Globe's financial columns. The only official of a Canadian industry who paid any attention to the agitation was Mr. Harris, president of the Nova Scotia Steel & Coal Co. His reply was in effect that his co-shareholders might not have intelligence enough to make the proper comparisons of any statements issued more frequently than once a year. This fear seems still to control his board. But the directors of the United States Steel Corporation have proved the wisdom of quarterly statements, and to-day they are giving even more frequent official information on the conditions of the corporation's business. The market for American industrial stocks has undoubtedly benefited by these franker methods.

Some Canadian directors declare themselves indifferent to market considerations. The shareholder is not indifferent. A well-informed market is in reality an addition to a company's credit, as C.P.R. directors will testify.

Compare the information given in the statements of the Canadian General Electric Co. with that of the American General Electric Co. The latter, for one instance, gives the amount of gross business done as well as the amount of net profits. The former gives only net profits. A shareholder in the Canadian company is unable to know whether the the business is being done more or less profitably. True, net profits have steadily grown, but it would be a poorly conducted business that could not show increasing profits under conditions ruling in Canada in recent years, especially with increased capital. What the shareholder is entitled to know, and what the directors themselves doubtless know, if they are doing the work intelligently, is what is the rate of profit to the total business done. Some defenders of the present secretive policy say it would be unwise to disclose these facts to rivals. Directors of the American company, who are doubtless quite as intelligent, have not considered this a sufficient ground for refusing publication of the information suggested. The spectacle of the 10 per cent. stock of this leading Canadian enterprise, knocking around par, in face of its excellent dividend record can be attributed—if one thing more than another is responsible for this loss of credit—to the secretive methods of the directors, for no one, viewing the future of the electrical supply business in Canada, can come to any conclusion other than that no Canadian enterprise has to-day brighter prospects for a continuing and increasing demand for its products.

Shareholders have just been favored with a financial report for a period of three months in the operations of the Dominion Steel Co. It was doubtless a pleasure to the directors to issue this report for it must be gratifying to the shareholders to find the profits for that period over half a million dollars. But, in view of the previous record of the company, it is not unreasonable to ask if a statement for three months would have been issued if there had been a loss instead of a profit? Yet, the shareholders are as much entitled to the information in one case as in the other. The reason given for issuing the report for this brief period is to lay the latest facts before the annual meeting. But, as a matter of fact, the statement was sent by mail, and could as easily be issued and distributed in the same way each quarter as for the past quarter. Let us hope these directors will continue their quarterly reports, now that a commencement has been made. Incidentally, the question may be asked, why Dominion Steel shareholders were not told in the last annual reports how much of the revenue of the company comes from government bounties.

Other illustrations of the lack of information supplied shareholders by Canadian directors are plentiful. It is to be hoped that the poor market for their securities will teach them to more fully recognize their duties as trustees, without waiting for a "labyrinth of litigation" such as has moved the Standard Oil Co.

GEO. C. BIGGAR.

Toronto, Sept. 27.

BANK OF NOVA SCOTIA

INCORPORATED 1832

Capital - - - -	$3,000,000
Reserve Fund - - -	$5,250,000

Head Office: HALIFAX, N.S. — General Manager's Office TORONTO

A general banking business transacted

Savings Accounts opened by deposit of $1 or over. Interest added quarterly.

FOR THE INFORMATION OF DEPOSITORS

This is the only Bank having its Head Office in Canada that submits its books and statements to examination by strictly independent auditor.

ESTABLISHED 1873

THE STANDARD BANK OF CANADA

Head Office, - - - - Toronto

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The accounts of Commercial, Manufacturing and Business firms solicited. Special attention given to the collection of notes and other commercial paper in all parts of the world.

Savings Bank Department in connection with all Branches

THE BANK OF OTTAWA

Head Office: Ottawa, Ont.

Capital, - - - - - -	$3,000,000
Rest and Undivided Profits, - -	3,236,513

Branches and Agents throughout the Dominion of Canada.
Savings Department in connection with all Branches.
GEORGE BURN, General Manager

GET IN TOUCH WITH ME—

I specialize in UNUSUAL investment opportunities in solid industrial enterprises.

Just now I know of several things that offer a very rare chance to the man with a few hundreds—straight-out industrial investments of the kind only a few people hear of in time to buy shares at bed-rock prices. Write to me if you have any idle money that you might put to work on the right terms.

BENJAMIN BURLAND
FINANCIAL AGENT
303 Board of Trade Building, MONTREAL

ALFRED B. WILLIS
Mining Engineer
23 TORONTO STREET, TORONTO

United Empire Bank of Canada

"This Bank shows a steadily increasing patronage, due to its strength, conservatism and general policy. If you have in mind the opening of a new account, either savings or checking, we cordially invite you to become a depositor"

George P. Reid, General Manager

37 Years' Record

As "results speak louder than words" so also a Company that can point to a "successful record of 37 years" is sure to receive the patronage of the Canadian public which is quick to discern sound and progressive management in the interests of policy-holders.

The Mutual Life Assurance Co. OF CANADA

has just such a record for successful management from the establishment of the Company in 1870 up to the present day, as the following summary will show:

Total Payments for Death Claims, Matured Endowments, Surrendered Policies, Etc.	$ 7,476,529.26
Add present Assets, Dec. 31, 1906.	$10,385,539.84
Amount paid to Policy-holders and held for them	$17,862,069.10
Total Premiums received..	$17,338,715.05
Excess of Assets and payments to Policy-holders over premium receipts. .	$ 523,354.05

Write Head Office, Waterloo, Ont.,
84

THE FINANCIAL POST OF CANADA

A weekly newspaper aiming to present to the public in a popular manner accurate information relating to the financial interests and legitimate investments of Twentieth Century Canada.

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The acceptance and insertion of an advertisement shall in no way be taken as an indication of the approval of the editoral department; the latter shall be free to comment or criticize, if necessary, as their study of the situation demands.

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Toronto, October 5, 1907.

WHY NIAGARA FALLS.

The latest proposal that has emanated from the financial tinkerers is that the Dominion Government should appoint a Royal Commission to inquire into the financial stringency and the conduct of the banks. This is a delightfully Pickwickian suggestion. It is even worthy of "Alice in Wonderland." The Financial Post now rises to propose that a Royal Commission should be appointed to inquire into the question, "Why Niagara Falls?" As regards the monetary stringency, a study of the files of this paper will give a voluminous amount of information. Even in this issue, in another column, will be found Mrf Barton Hepburn's address to the American Bankers' Association. It will throw further light on the universal monetary famine.

THE MONEY MARKET.

There can be no doubt that during the past month, the general situation has been very considerably modified, and that the natural economic causes for stringency are beginning to disappear. The need for providing a larger margin of safety than at present exists may, however, make for a continuance of relatively dear money for some time to come. The harvest in Europe has already added to financial resources, and the check which has been imposed upon governmental, municipal and private borrowing by the high rates for money, has resulted in the accumulation of reserves. Other causes have also been contributing to the restoration of confidence. In spite of the adverse reports earlier in the season from several important wheat producing countries, the total visible supply at the present moment is higher than it has been for seven years.

This large visible supply, larger by some 75,000,000 bushels in the United States alone, than it was last year, must be set against the estimated shortage in this year's crop.

The production of gold in South Africa for August almost equals the output of December last, which was the highest on record. The total output for 1907 till the 31st of August reaches ninety million dollars. Although further demands upon the gold reserves of Europe are known to be impending, especially from Egypt, and from Brazil, these are probably in a measure already provided for and they may, therefore, be supplied without materially affecting the market.

So far as Europe is concerned, the situation may probably be regarded as sound, with a margin of safety; a margin, however, too small to sustain without strain any serious attack. It seems unlikely that any attack will come from the side of stock speculation. The danger lies in the reaction upon industry and commerce of the financial stringency of the past few months. Trade does not respond so rapidly to financial movements as stock speculation; but when it is seriously affected a commercial panic is much more widely influential than a purely financial one. The best European opinion seems to be in favor of consolidating reserves and preparing for a continuance of monetary stringency for some time to come. Whether in view of the competition for the employment of capital these counsels can be expected to be followed is another question.

In America the same causes have been working, though more slowly. The important harvests are rather later than they are in Europe, and the financial lee-way which had to be made up was greater. The sensible adoption by Mr. Cortelyon, secretary of the United States treasury, of the very obvious expedient of depositing government funds at once in the banks instead of storing them up in the treasury, has relieved the strain considerably.

Although, in Canada, the possibility of injury to wheat by frost is a source of anxiety, the margin of exportable wheat in this country is not yet great enough to influence, materially, the general situation. While general causes have been altering financial conditions, on the whole for the better, there have been special causes of a perturbing character. The attack upon the corporations, and especially the announcement of further actions in various States against the Standard Oil Co., and the probability of more enormous fines being imposed upon it, have contributed to the weakness of certain groups of stocks.

The requirements for the payment of October dividends and further instalments on recent bond issues mean only a temporary shifting of credits. Certain stocks have been affected by the uncertainty which hangs over the immediate future of copper, and industrials generally have been influenced by the feeling that fall in price in many important commodities may be expected to be the result of the recent financial situation. Indeed, this decline in prices may be said to be already observable. The Index number of the London "Economist" has shown a steady decline since its high point in June of this year, although according to it, prices have not yet reached the level at which they stood on September 1, 1906.

Altogether, however, the atmosphere is clearer than it was a month ago; and even though crop shortages should be serious, the increased prices are largely compensating and in the United States are enriching the farmer more than ever. Nevertheless, it may be observed that weak places in industrial enterprises will be apt to emerge under a regime of cautious financing.

STRICTLY CALL LOANS.

Recently a Montreal evening paper published an interesting interview with a member of the Montreal Stock Exchange on the much discussed subject of call loans. What the broker has to say is very much to the point—far more than what is said by most of the outside critics who can see nothing good in the foreign call loans. It is thus worth while to go into the questions he raises. The substance of his contention is that the call loans made by the banks to Stock Exchange houses in Canada are quite as much strictly call loans, and quite as available, as any money loaned in New York. He mentioned that the banks loaned to private individuals and to bond dealers very large sums on demand notes, including the amounts under the heading "call loans" in the Government statements, and he plainly infers that this latter class of loans constituted the bulk of the item "call loans in Canada." as shown in the monthly bank statements. The statement made that the Montreal brokers have not so much as $3,000,000, and probably not so much as $2,000,000 on call from the banks, will not receive credence in well-informed circles. The bankers probably would have no difficulty in proving it wide of the mark.

However, it is reasonably certain that the loans at call or on demand to private individuals, bond dealers, etc., would reach a large aggregate, and 'tis pertinent to inquire into their nature. So far as the bond dealers are concerned, it is well known that they are more or less all the time purchasing round lots of bonds, newly issued by municipal and other corporations, and retailing them to investors. The loan from the bank is necessary when the purchase is made; repayment is effected when the sales are completed. The bonds may go off quickly or slowly; so the time of repayment is not easily to be calculated. A loan, payable at call, allowed to run for an indefinite time, is the most convenient method of carrying such a transaction. In a great many cases the bonds on which the advance is made may not be of a class permitting instant realization in case the bank calls for its money; and the bond dealer does not anticipate, or prepare for, the calling of the loan. If it were called before his sales had got very far he would, perhaps, be greatly inconvenienced.

Then every bank has among its customers a number of private individuals who expect to borrow from it on bonds and stocks. These may be big financiers or capitalists carrying through important deals in connection with the formation of new industries, the enlargement of old ones, new issues of securities, and with other things. They may be the partners or principal stockholders in firms or corporations which keep valuable accounts at the bank These men are accustomed to invest in securities at what they deem favorable opportunities. They lean on the bank to do so, and clear off the debts through profit and interest accumulations, or through sales of securities.

And some of the smaller customers of the banks at times desire to buy securities beyond what their balances will purchase The loans they get are retired in a similar manner.

A considerable part of this class of loans also may be at call. But there are not a few of the borrowers who read the words "at call" to mean "at my convenience." To call them before they were ready might be to antagonize them, and, perhaps, to lose valuable permanent business which they control. Of a different kind are the call loans to stock-broking houses on available securities. When they get the loans these borrowers understand that they are liable to be called at any time. The securities they pledge are of a high degree of availability—the banks usually insisting upon stocks and bonds that can be sold instantly in the open market. Thus the stock broker keeps in his mind the eventuality of his loan being called and makes preparations to that end. If he is called he calls in turn on his customers, who must reduce their indebtedness to him. The brokers make it a point of honor to respond promptly when called by the banks. They know that this is the only way to keep up the high character of "call loans in Canada." It is easy to understand the annoyance of good houses, which have always responded at once when called by their banks, at the statement that "call loans in Canada" are inferior to "call loans in New York," as an available banking asset. It should be remembered, however, that the superiority claimed by the bankers for the foreign call loans is due quite largely to the fact that they are foreign. Mr. Forgan, the eminent Chicago banker, recently pointed out that as an immediately available asset for the Chicago banks, call loans in New York were superior to call loans in Chicago. The reason was not because New York borrowers responded quicker than Chicago borrowers, but because the realization of the New York loans strengthened the Chicago situation by bringing in resources from outside. In the same way loans made at call in New York by the big New York banks have not quite the same degree of availability as call loans made in New York by Canadian or Chicago banks. When they need the funds the latter could realize their New York loans without any compunction whatever, and by so doing bring in resources from outside to strengthen their home situations. While the New York banks would have to take into account when calling their New York loans, their responsibility for maintaining the equilibrium of the financial situation and the operation of calling would not increase New York's resources.

With regard to the two classes of call loans above described, it might be said that in the best practice a discrimination is made between the two. Undoubtedly the purpose in the Government statement heading "call loans" is to show the amount of loans immediately available, the cash on which bankers can lay their hands at once. To show under it all the loans secured by stocks and bonds drawn payable at call, is, at best, a misleading action, and it is extremely doubtful if any number of banks do so. Some divide their call loans into "call loans" and "strictly call loans," the latter being the last described loans to brokers. And the item "call loans" in the Government statement includes, of course, only the strictly call loans.

NEW TARIFF DECISION.

Tariff decision No. 293, notice of which has just been sent to the Customs officials, reads as follows: "Articles partly nickle or electro-plated are not to be rated for duty under item 362, as nickle-plated ware or electroplated ware, unless half the metallic surface thereof is nickle or electroplated."

GOVERNMENT BOND BUREAU

HOW ONTARIO MIGHT ASSIST HER MUNICIPALITIES.

A Department Which Would See That Bond Issues Were in Form and Strictly Legal—Also to Act as a Depositary for Sinking Funds—A Prominent Bond Dealer's View — The Sinking Fund Bond Issues Advisable.

During an interview between a representative of The Financial Post and Mr. G. H. Wood, of the well known bond house of Messrs. Wood, Gundy & Company, one or two interesting features in connection with the municipal bond business were brought out.

Mr. Wood stated that two difficulties which bond houses have to contend with probably more than any others are:

(1) The fact that so many issues of municipal debentures, when they are first purchased, are in an unsatisfactory condition legally because of the law not having been properly complied with, and frequently much time of the bond firm, their legal counsel, and the municipal officers, is taken up in endeavoring to overcome these irregularities.

(2) That so many of our municipal debentures, particularly in Ontario, are now issued with principal repayable in annual instalments. While such bonds will be purchased by some investors, they are absolutely declined by a large number of buyers solely because of the way in which they are made payable, and the prices obtainable for instalment bonds are always less than can be got for a sinking fund bond, everything else being equal.

With regard to the first difficulty, Mr. Wood said that the reason so many mistakes are made by municipal officers, and even their legal advisors, in issuing debentures is not so much the result of carelessness or ignorance, but arises from the fact that the procedure differs in connection with almost every kind of municipal loan, and the statutes have been so frequently changed and are so complicated that the most eminent counsel, even the judges themselves, differ as to their meaning.

Every year many of our municipalities have issues of considerable amounts tied up and rendered absolutely unsalable until the legislature can meet and, so to speak, excuse the mistakes and confirm the issues, such mistakes sometimes having been merely the taking of the vote of the ratepayers one day sooner than the statute calls for. All bond dealers will appreciate these difficulties and the worry they frequently cause, although investors know very little about them because the securities are not tendered to the purchaser until these legal tangles have been all unravelled and legality made satisfactory.

To overcome this difficulty and to place the legality of all municipal issues beyond question, as it should be, Mr. Wood said he had for some time thought that our provincial government should create a bureau or department to which all municipalities should refer their contemplated loans, receive definite instructions as to procedure and form of bylaw, debenture, etc., so that when the bonds are issued they could receive the endorsement of this department, the same as school debentures are now endorsed by the governments of our three western provinces, and then be confirmed as to legality, and thus not be open to question on any legal ground. This would, of course, involve some expense to the government, but the department should be self-supporting, as it now on an average costs municipalities far more than is necessary on account of the many mistakes that are made, as is evidenced by the numerous special bills that are required from year to year to overcome these defects. Local municipal solicitors may object on account of certain loss of fees, but on the whole, Mr. Wood thought the average solicitor would be rather pleased to be relieved of this department of legal work on account of the difficulty in interpreting and complying with the law.

The second objection Mr. Wood said he thought was a very important one. As it is now, the bonds of many of our Ontario municipalities, the security for which is excellent, are not nearly as popular or as salable as they should be on account of being repayable in instalments. The reason this plan is followed by so many municipalities when they have the option of issuing them on the straight term, or sinking fund, plan, if they wished, is that the experience of smaller municipalities with sinking funds has in the past not been at all satisfactory. Here again, Mr. Wood thought, the government should come to the aid of the municipalities by providing for the treasury department to become the depository for municipal sinking funds, allowing a fixed rate of interest, say, three and a half or four per cent. The question of safety would then be definitely settled and municipalities that are now practically compelled to issue instalment bonds would be in a position to follow the alternative method and issue them on the straight term plan.

Investors will readily see the advantage that would accrue from the adoption by the government of these two suggestions. With the legality absolutely guaranteed by the government in each case, and with practically all our bonds repayable at the end of the term, and the sinking fund under government control, Ontario municipal debentures would command a much broader market and sell on a much higher basis than they do at present.

Mr. Whitney's government has proven a most progressive one, and Mr. Wood thought that they had an excellent chance to add thousands of dollars to the value of Ontario municipal bonds, and facilitate the marketing of these securities, by taking another advanced step in the direction indicated.

Other improvements could be suggested, such as the work in connection with the printing or engraving of the bonds themselves being of a better order than is the case at present, the average municipality being quite indifferent as to the appearance of the bond.

Another improvement would be to make the principal and interest payable in the larger financial centres, such as Toronto and Montreal, and where the amount involved is a large one and the bonds are likely to go out of the country, they should also be payable in London and New York. These, however, would naturally follow, if the main scheme as outlined above were adopted.

BRIDGE DISASTER AFFECTS TRADE.

One of the most serious of the results due to the Quebec bridge disaster will be the delay caused in the completion of several railway connections badly needed for the opening up of the Lake St. John region, and the territory to the north of it.

Various industrial enterprises projected in this belt, enriched by vast forests yet untouched and streams affording water power of priceless value, will have to be deferred for a year or more, as transportation facilities are wanting. The American concern in charge of the construction states that it will take two years to regain the condition that existed before the accident. The Dominion Government might itself undertake the completion of the bridge as soon as the investigation into the causes of the disaster has been completed.

New York Stock Exchange.

Range of Prices for Week Ending Oct. 4th.

—	Closing Sept. 27	Open. Sept. 28	High.	Low.	Last.
Amalg. Copper Co	58	57½	60⅜	56¼	59¾
Am. Car & Foundry	36¾	36½	37	35⅜	36⅛
Am. Locomotive Co	50¾	50½	52	50¼	51⅞
Am. Smelt. & Ref	86⅝	85½	88½	84½	87¾
Am. Sugar Ref. Co	111	110	112⅝	109⅝	111½
Am. Tobacco Co., pf	78	77	77	77	77
Am. Woolen Co	21	21	21	20¼	20¼
Anaconda Cop. Min	37	36¾	39⅜	36	37¼
At., Top & S.F	86⅜	85⅞	86¾	84½	85¾
Atlantic Coast Line	80	79⅞	80⅜	79	79
Baltimore & Ohio	91	90½	90½	88⅛	89⅝
Brook. Rapid Transit	44	43	48½	42½	47½
Canadian Pacific	162¼	160¾	171	157	162¾
Chesapeake & Ohio	33½	33½	33½	32⅞	33¼
Chi. Great Western	9½	9⅜	9⅜	8⅜	8¾
Chi., Mil. & St. Paul	117⅝	117¼	119⅝	114½	118
C., C., C. & St. Louis	63	61	61	61	61
Chi. & Northwestern	144¾	143¼	146	142¾	143½
Colorado Fuel & Iron	21	20⅞	20⅞	17½	18½
Colorado & Southern	21	22	22½	20¾	21⅞
Consolidated Gas	96¾	96½	102½	96¼	100⅛
Delaware & Hudson	156	155	157½	154¼	156¼
Den. & Rio Grande	24⅛	23¼	24¼	21¾	22⅞
Dul., S.S. & At	....	9½	9½	8⅜	8⅝
Erie	20	20	20⅜	18⅞	19¼
Erie, 2d pf	36	35¾	36	35¾	36
General Electric	126⅝	126	126	123¾	124½
Great Northern, pf	127	126	129	125	128⅛
Illinois Central	137	135¼	142	135¼	142
Interb.-Metropolitan	9	8¾	9¾	7⅞	9½
Internat. Paper Co	13	13	13	13	13
Louisville & Nash	108	107½	107½	103¼	105
Mackay Companies	63	60¾	61	60½	60½
Mackay Companies, pf	61¾	60	61¼	60	61¼
Mexican Central, pf	17¼	17	17	14⅞	16⅜
Minn. & St. Louis	40	39¾	40½	39½	40½
M., St. P. & S.S.M	98¼	95¼	95¼	93¼	93¾
M., St. P. & S.S.M., pf	130	129½	129¾	124	125
Mo., Kan. & Texas	34⅝	34⅛	34¼	32	32¾
Missouri Pacific	67½	67	67¾	67	67
New York Central	104½	104	104¼	101¼	102¾
N.Y., Ont. & Western	34⅜	32⅞	32⅞	32⅛	32⅛
Norfolk & Western	71½	70¾	71	70	70½
Northern Pacific	128	127½	129⅞	126⅛	127¾
Pennsylvania R.R	119⅜	119	120¼	118⅜	119¼
People's Gas, Chi	85¼	85	86½	85	85¼
Pullman Company	157½	157½	155¼	155¼	155¼
Railway Steel Spring	36½	36½	....	....	....
Reading	92¼	91½	94½	90¼	94
Rep. Iron & Steel	20½	20¼	20½	19¾	20
Rock Island Co	18⅜	18½	19	18	18
Rock Island, pf	45	44¼	45½	43½	44½
St. Louis Southwestern	....	....	17¼	17¼	17¼
Sloss-Shef. Steel & Iron	45½	44	45	44	44
Southern Pacific	84¾	84⅛	85⅛	81⅜	82
South. Railway	15¼	15⅛	15½	13⅛	13⅜
Texas & Pacific	26½	26	26	25	25
Union Pacific	126½	126⅛	129⅜	125¼	127⅜
U.S. Rubber	28½	27⅛	27⅛	27⅛	27⅛
U.S. Steel	27⅛	26¾	27¾	26¼	27
U.S. Steel, pf	88¾	88¼	89½	87¼	88¾
Wabash	11	10¾	11¼	10⅜	10½
Western Union Tel	73	73	74	73½	74
Wisconsin Central, pf	38½	39	39	38	38

Railroad and Street Railway Earnings

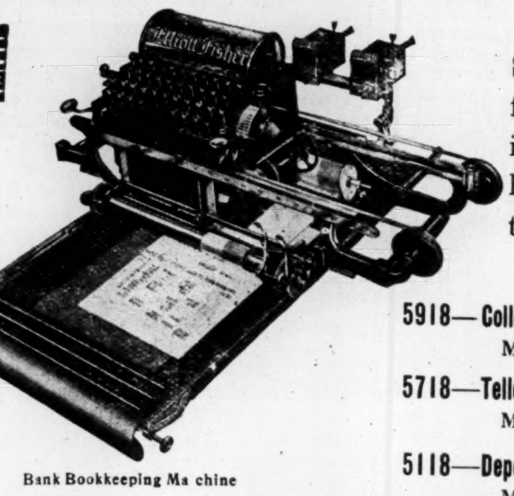
Gross Earnings

—	Week ending	1907.	1906.	Changes.	From date mentioned to the last week for which earnings have been reported. Date.	1907.	1906.	Changes.
Canadian Northern	Sept. 30	206,200 00	180,900 00	+ 25,300 00	July 1	2,618,200 00	1,823,100 00	+ 795,100 00
Canadian Pacific	Sept. 30	2,021,000 00	2,004,000 00	+ 17,000 00	July 1	20,151,000 00	18,080,000 00	+ 2,071,000 00
Duluth, S.S. & Atlantic	Sept. 21	70,325 00	66,828 00	+ 3,497 00	July 1	892,533 00	777,747 00	+ 114,586 00
Grand Trunk System	Sept. 21	....	....	....	....	....	....	....
Minn., St. P. & S.S.M. (Soo)	Sept. 21	247,373 00	283,329 00	− 35,956 00	July 1	2,851,472 00	2,896,917 00	− 45,445 00
Detroit United	Sept. 14	134,097 00	121,939 00	+ 12,158 00	Jan. 1	4,748,986 00	4,253,802 00	+ 495,184 00
Halifax Electric Tram	Sept. 14	....	....	....	....	....	....	....
London Street Railway Co	....	....	....	....	....	....	....	....
Montreal St. Ry.	Sept. 30	....	....	....	....	....	....	....
Toledo Railways System	Sept. 21	30,435 84	28,741 69	+ 1,694 15	....	....	....	....
Toledo Railways System	Sept. 30	36,854 31	38,784 60	− 1,930 29	....	....	....	....
Toronto Railway Co	Sept. 30	80,714 04	78,496 79	+ 2,217 25	Jan 1	2,427,164 44	2,169,933 21	+ 257,231 23
Twin City	Sept. 21	119,250 00	105,348 00	+ 13,902 00	July 1	4,364,583 00	4,050,942 00	+ 313,641 00
West India Electric	....	....	....	....	....	....	....	....

Net Earnings

—	AUGUST 1907	1906	Changes	Two months. 1907	1906	Changes
Canadian Pacific Railway.						
Gross earnings	7,010,177 40	6,170,452 27	+ 839,725 13	14,018,451 86	12,138,420 09	+ 1,880,031 77
Working expenses	4,439,902 25	3,707,873 07	+ 732,029 18	8,941,324 05	7,304,029 81	+ 1,637,294 24
Net	2,570,275 15	2,462,579 20	+ 107,695 95	5,077,127 81	4,834,390 28	+ 242,737 53
Minneapolis, St. Paul and S.S.M. Ry.						
Total gross	1,021,935 19	1,055,813 71	− 33,878 52	2,116,825 07	2,138,789 94	− 21,964 87
Operating expenses	653,677 86	565,417 79	+ 88,260 07	1,342,133 19	1,109,167 42	+ 232,965 77
Net	368,257 33	490,395 92	− 122,138 59	774,691 88	1,029,622 52	− 254,930 64

BANK DETAIL-WORK SIMPLIFIED BY ELLIOTT-FISHER SYSTEMS



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Machine Added and Proved

5718—Tellers' Check List—
Machine Added

5118—Depositors' Ledger & Statement—
Machine Added and Proved

COPELAND-CHATTERSON COMPANY
General Sales-Agents for the Dominion.
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JOHN BAYNE MacLEAN, President — STEWART HOUSTON, Managing Editor

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THE COBALT CAMP

A REVIEW AFTER THE FIRST NINE MONTHS OF THE YEAR.

Cobalt Central's Suspicious Advertising—The Mining Market Will Be the Last to Improve—Avoid Low-priced Shares That Are Largely Advertised—Legitimate Producers Are Cheap—These Mines Have Never Looked Better—The Position of the Silver Leaf—Shipping Statistics of the Camp.

The shipments from the Cobalt camp for the first nine months of the year are 9,294 tons. Twenty-two mines have shipped up to Oct. 1. It is not likely that the number of shipping properties will be increased during the coming months. The camp at present is looking better than it has ever done before, and the regular shippers bid fair to make good showings during the coming months, now that the effects of the strike have been overcome. The labor difficulty resulted in reduced shipments during September. Several properties have also been making smaller shipments, awaiting the installation of improved facilities. The McKinley-Darragh example has produced very little this year, but The Post's mining engineer advises that it has developed some rich ore, and its concentrator will soon be giving effective results. The Coniagas is now also passing through the experimental stage with its concentrator. The Nipissing, as it goes farther into its veins, is yielding values that promise a bright future for this extensive property.

The Cobalt Central has been pursuing a campaign of exploitation which does not look well. It is now selling stock through certain agencies that cause suspicion. Mr. J. J. Bamberger, of New York, one of the blanket advertisers of mining prospects that have not been heard from since he obtained the money of the unwary, has been a strong advocate of Cobalt Central shares. The company's very ill-advised and impudent invasion of the London market has not helped it. Finally, a thoroughly discredited concern, which goes under the name of the Union Security Company, of Chicago, and which has been connected with a number of swindles, has been selling Cobalt Central stock. The Union Security Co. says: "From present indications Cobalt Central will reach the dollar mark much sooner than we predicted. Buy Cobalt Central for quick profits or investment." The Financial World, of New York, remarks that Cobalt Central will pay dividends not before Gabriel sounds his trumpet call. In the Cobalt camp results are sometimes so unexpected that this latter statement may be unwarranted. The advertising campaign in Cobalt Central, however, and its associates do not promise well for the property.

The Silver Leaf, which was a highly over-capitalized promotion, and on that account at its origin included in the "wild cat" list, was compelled to close down on account of the strike, and this fact gave rise to an unwarranted statement that the mine was at the end of its tether, and was closed for good. At the time, The Financial Post pointed out that the statement was untrue. Mr. A. E. Osler received a report from the mine this week, saying that 23 men were now at work and that they were sinking on the main shaft from the fifty-foot to the seventy-five-foot level, and were working on the open cut, where a fine looking vein was uncovered in June. The results of the car load shipped in July have not been determined, owing to a dispute over the shipment.

Last week the Foster shipped two carloads, which brings their output for the month up close on 100 tons.

The Cobalt stocks will be among the last to share in the general improvement. The boom in the autumn and winter loaded up the small investor, and the severe liquidation in securities of all classes does not encourage the timid investor. That very useful personage will first begin to put his money into sound bonds, yielding him five per cent.; later he may buy some good stocks. The mining list will be the last to receive his attention. However, the results that the regular shipping mines of the Cobalt camp will yield during the next few months may be such as to encourage further investment. The outbreak of another boom is not likely. In the meantime we can only repeat our warning to the public, viz.: To avoid all new prospects floated by blanket advertisements, and to put their money into some of the producing mines. Their shares are reasonably cheaper, and, in truth, much cheaper than any prospects at five, ten or fifteen cents a share.

The shipments for the week ending Sept. 28 are:

	Lbs.
Nipissing	178,210
Foster	128,000
Buffalo	60,000
Total	366,210

	Year to date. Lbs.	September. Lbs.
Coniagas	4,556,660	189,000
Nipissing	4,131,190	325,850
O'Brien	2,346,141	60,760
Buffalo	1,904,300	240,000
Trethewey	1,210,718	......
La Rose	1,219,853	251,550
Silver Queen	772,148	120,000
Foster	527,300	190,950
Kerr Lake	373,780	......
Townsite	202,230	......
Green-Meehan	196,790	......
Temiskaming	173,511	......
Nova Scotia	156,000	60,000
Cobalt Central	141,877	......
McKinley-Darragh	140,000	......
Right of Way	134,530	......
Hudson Bay	100,670	......
Colonial	74,250	......
University	61,385	......
Red Rock	40,000	......
Drummond	44,090	......
Silver Leaf	43,518	......
Imperial	37,530	......
Total lbs.	18,588,471	1,438,110
Tons	9,294.23	719.55

The shipments by previous months are.

The shipments by months are:

	July.	August.
Coniagas	1,178,390	288,640
Nipissing	226,695	1,020,763
O'Brien	......	61,000
Buffalo	240,000	380,000
Trethewey	50,000	65,000
La Rose	140,115	148,405
Silver Queen	87,000	176,000
Kerr Lake	......	124,780
Foster	52,000	64,000
McKinley-Darragh	80,000	......
Cobalt Townsite	......	66,000
Temiskaming	......	119,011
Hudson Bay	45,170	......
Colonial	34,250	......
Silver Leaf	43,518	......
Imperial	37,530	66,000
Total lbs.	2,214,668	2,579,599
Total tons	1,107.33	1,289.75

	May. Lbs.	June. Lbs.
Coniagas	682,920	1,589,640
O'Brien	557,290	64,520
Nipissing	433,310	477,450
Trethewey	229,020	224,200
Buffalo	82,770	281,130
Hudson Bay	55,500	....
Temiskaming	54,500	....
Townsite	46,070	....
Silver Queen	44,000	124,580
Cobalt Central	40,000	....
Right of Way	1,400	129,330
La Rose	....	316,216
Kerr Lake	....	94,000
Colonial	....	40,000
Drummond	....	44,090
Foster	....	40,000
	2,226,780	3,425,156

	March.	April.
Nipissing	565,801	
O'Brien	403,470	389,160
Buffalo	241,400	40,000
Trethewey	296,440	167,410
Coniagas	127,920	217,350
La Rose	65,000	
Green-Meehan		67,200
Cobalt Central	34,920	
Foster		
Kerr Lake		80,000
Cobalt Townsite	43,000	
McKinley-Darragh		
Red Rock	40,000	
Right of Way	3,800	
Totals lbs.	1,821,751	961,120

	Jan.	Feb.
Nipissing	623,701	457,620
O'Brien	419,831	390,110
Buffalo	279,000	120,000
Trethewey		178,648
Coniagas	174,220	108,580
La Rose	123,500	175,067
Silver Queen	125,683	94,885
Green Meehan	61,210	68,380
Foster	43,600	56,750
Kerr Lake		75,000
Cobalt Central		66,957
University	61,385	
McKinley-Darragh	60,000	
Cobalt Townsite	47,160	
Nova Scotia		30,000
Total lbs.	2,019,296	1,821,997

THE BOND SITUATION.

Edmonton Has Sold Its Five Per Cent. Bonds at 93—Ottawa and Edmonton's Position Compared.

The city of Edmonton has sold £129,700 ($679,000) 5 per cent. unstamped sterling debentures. The purchasers are the Bank of Montreal in London, who are representing Edinburgh capitalists. The deal was negotiated by the Imperial Bank. The price obtained was 93 net in Toronto. The city recently advertised $556,852 debentures, but as no satisfactory bids were received, they withdrew them from the market and have at last succeeded in placing them. These were issued for the following purposes: New power house site, $20,000, 40 years; electric light and power extension, $25,000, 20 years; scavenging equipment, $10,000, 10 years; new fire hall, $12,500, 30 years; fire hall equipment, $2,500, 10 years; waterworks extension, $117,000, 40 years; sewerage extension, $226,042, 40 years; street grading, $19,712, 8 years; cement sidewalks, $43,799, 20 years; sewers, $17,733, 40 years; debenture deficit, $36,565, 30 years; isolation hospital, $10,000, 20 years. It is said that the basis for the total issue is about 5½. If the city has disposed of its issues to net 5½ per cent., it has done very well. Several other offers wer received by the city. One offered a loan at 6½ per cent. for six months, with the privilege of renewing for a year. Another asked for two weeks' option at the same price as that offered by the Imperial Bank, and another offered to purchase at a price to net 5½ per cent. Mayor Griesbach is reported to have said the deal is better than that made by the city of Ottawa. His reasoning is very obscure here. Ottawa has made a loan for six months or for a year at about 6 per cent. net. The city refused to sell their debentures. Edmonton has sold their debentures. How can you compare prices for debentures which have been sold with those not yet sold! The fact is that Ottawa has made a temporary loan at a higher rate than Edmonton, but Ottawa may possibly be able, when their loan falls due, to dispose of their debentures at such a rate that their interest will be less for forty years than the interest the city of Edmonton must pay. On the other hand, Ottawa may find that the city will have to pay for forty years a higher rate every year than does Edmonton. Who knows! Ottawa is taking her chances. Edmonton knows her position exactly, and that is always an advantage. At present it is not possible to say which city is in the better position. It is absurd to compare a 40-year bond with a one-year loan. Last year Edmonton paid a little better than 4¾ per cent. for their issue. Now they pay 5½ per cent., and that rate they must pay for an average of 30 years. In this connection an eminent financier said: "If you ask the general manager of any of our foremost banks which is the better, he will not commit himself. He is not sure himself. Things may be better, or they may be worse. Influences are at work which are world-wide. We are to-day on the edge of a volcano. We may have an eruption, or the explosion may not come. But whether it comes or not, one thing we can feel safe about, The security of municipal bonds will not be questioned."

The town of Arcola, Sask., have borrowed from the R. H. Cook Mortgage Co. $50,000 for three years at 8 per cent. The town has secured this loan with $60,000 waterworks and $8,000 town hall debentures.

In our last issue we quoted Wood, Gundy & Co. as having bought $16,000 4 per cent. 30-year debentures of the town of Niagara. It should have been the city of Niagara Falls.

St. Thomas has sold W. C. Brent $11,287 4½ per cent. 10-year installments debentures to yield about 5 per cent., and $22,900 4½s and 5s of the township of Ellice, to yield about 5 per cent.

Mr. A. N. Strang, accountant of the Bank of Commerce at North Battleford, has been appointed to the same post at Saskatoon.

CITY OF FORT WILLIAM
DUE 1st JULY, 1947
TO YIELD 5 PER CENT.

Official assessment $5,264,861
Net debt 178,475
Population 15,000

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C. P. R. ANNUAL MEETING

THE ADDRESS OF SIR THOMAS SHAUGHNESSY.

The Crop Shrinkage Will Be 25 Per Cent.—The Increase in Labor and Materials—Optimistic Outlook for the Company's Lands—The Increase in the Shareholders' List—The Enormous Number of Employes.

The twenty-sixth annual meeting of the shareholders of the Canadian Pacific Railway was held in the company's offices on Wednesday, Oct. 2, between sixty and seventy shareholders being present. Sir William Van Horne, K.C. M.G., (chairman of the board of directors), presided, and the following directors were also present: Sir Thomas Shaughnessy, K.C.V.O. (president of the company), Mr. Richard B. Angus, Sir Sandford Fleming, K.C.M.G., Mr. Wilmot D. Matthews, Mr. Charles. R. Hosmer, the Hon. Sir Geo. A. Drummond, K.C.M.G., the Hon. Robert Mackay, Sir Robert G. Reid, Mr. Clarence H. Mackay, Mr. David McNicholl, vice-president and general manager of the company, and Hon. L. J. Forget.

Among others present were: Messrs. I. G. Ogden (third vice-president), G. Drinkwater (secretary), W. R. Baker (assistant to the president), R. C. Fisher, A. G. Watson, G. R. W. Notman, W. H. Evans, Donald McMaster, C. E. Cooke, H. J. Tellier, W. Stanway, Senator F. L. Beique, Angus W. Hooper, H. J. Robertson, C. Ernest Gault, A. Piddington, Henri Jonas, G. F. Blanchard, Geo. Olds, R. Meighen, W. M. Macpherson, Wm. C. McIntyre, E. H. Lemay, C. S. Garland, A. C. Lyman, A. D. MacTier, W. B. S. Smith, J. Williamson and M. Nowlan de Lisle.

Working Expenses Heavy.

Sir Thomas Shaughnessy, in moving the adoption of the annual report, already published, said:

"The twenty-sixth annual report of the company, which I have the honor on behalf of the directors to submit for your approval, shows an increase in your gross revenue from traffic of more than eleven million dollars for the year, but the effect of an unusually severe winter and of the enhanced cost of labor and material is shown in the increased ratio of working expenses to income.

"You will have noticed by the statements included in the report that the works of improvement on different sections of your system, necessary to facilitate the handling of your traffic, have been vigorously prosecuted, and that the outlay for additional cars and locomotives was particularly large. I may add that since the close of the fiscal year there has been no change in the policy of your directors with reference to these matters; indeed, unless the business of the country has a serious and prolonged setback, and there are no present grounds for such an apprehension, circumstances will make it necessary to continue these expenditures year by year, but it may be on a somewhat reduced scale.

"To provide the requisite means your directors will, at a future date, ask you to sanction the issue of the balance of the ordinary share capital authorized, as and when required, but there are sufficient funds in hand to meet all immediate requirements.

Reassuring Crop Reports.

"In Ontario, although the yield of wheat was satisfactory, the season has not been an auspicious one for other crops, and in Western Canada, where you are more largely interested, the very backward spring has resulted in a shrinkage of probably 25 per cent. in the quantity of marketable wheat as compared with last autumn. There will, however, be a very considerable increase in the quantity of oats and other grains, so that, with the higher price of wheat, the farmers of Western Canada will receive in the aggregate quite as much for their produce as they did last year.

"Because of the late harvest and the consequent delay in the movement of grain, we carried to the ports on Lake Superior during the month of September only 1,381 carloads as against 4,898 carloads in September 1906, but notwithstanding this large falling off in that particular class of traffic, your comparative weekly earnings have thus far shown no diminution, and we anticipate an extraordinary rush of grain to the head of Lake Superior before the close of navigation.

The Company's Land Assets.

"While the comments on the report in financial papers are generally complimentary, my attention has been called to one or two articles in which it is suggested that the directors should bring before the shareholders the tangible value of the company's land assets. It is not easy to do this with any degree of accuracy, but even if we assumed that, in the case of your agricultural lands, as sales are made and the area decreases, the value of the remaining lands will be enhanced, and, as a consequence, the 8,900,000 acres of the original grant still unsold will on the average a price per acre considerably higher than that which has been realized, without in any manner doing our objective or deprving your company of the traffic advantages resulting from the cultivation of lands tributary to your lines.

"Your lands in British Columbia are of a different character, their main value being in the standing timber and the possibility of large coal deposits, although there are some areas in the valleys suitable for cultivation. During the last couple of years a considerable demand has sprung up for these lands and the timber, and ultimately they will yield a handsome return.

Irrigation in Alberta.

"By the end of the present season 361 miles of canals and ditches will have been completed in the western section of the irrigation block, sufficient to give water to approximately 210,000 acres out of a total of 350,000 acres to be served in that section, and the ultimate cost of the work, which should be finished next year, will be in the neighborhood of $6.50 per acre, including the expenditure on the main canal which will be available for the central and eastern sections as well. While this expenditure gives a largely increased value to the irrigated lands themselves, the adjoining areas, greater in extent, but that are above the ditches and cannot therefore be served by water, are being made available, and are now selling at prices considerably above the average of your sales. Thus your directors confidently believe that not only will your investment in the irrigation canals and ditches be profitable, but that a large tract of territory along your main line east of Calgary, that by reason of the uncertainty of the rainfall would otherwise have remained bleak and uncultivated, will be converted into a pleasing and productive district.

Steamships Profitable.

"Your steamship lines on both the Atlantic and Pacific Oceans have not only been directly profitable, but they are very substantial contributors to the revenue of the railway, by bringing to it much traffic that could not otherwise be secured.

"It may be interesting to the shareholders to know that with the exception of the discount on the original sixty-five million dollars of common stock, sold nearly twenty-five years ago, when few people had faith in the ultimate success of the enterprise, the aggregate of all the capital stock and securities of other descriptions appearing in the balance sheet has yielded to your treasury cash in excess of their face value. Government and municipal subsidies, whether in the shape of constructed railway lines or money, and the proceeds of the land sales expended on the property, amounting in the aggregate to more than one hundred million dollars, have never been capitalized, nor are they included in the balance sheet item 'railway and equipment.'

14,000 Small Shareholders.

"As indicating how widespread is the interest in your property and the confidence in your stock that prevails with investors in Great Britain, on the Continent, and elsewhere, I might mention that when the books closed for the October dividend, there were 11,203 ordinary shareholders whose respective holdings were fifty shares or less, and from information received through banking and security organizations, whose own certificates are outstanding against stock held in trust for clients, I estimate that there are 3,000 other investors of the same class, making in all upwards of 14,000 people whose individual holdings do not exceed fifty shares. Hence it would appear that practically one-third of your entire ordinary share capital is held by these small investors.

74,000 Employes.

"There are now in the service of the company quite 74,000 officers and employes, with a monthly payroll of $3,700,000, and of the whole number of employes I am safe in saying that 70,000 are located in Canada. Estimated on the ordinary basis of five persons to a family, these would represent 350,000 souls, or more than one-twentieth of the entire population of the Dominion, and if there be added the men in rail and rolling mills, lumber mills, car and locomotive manufactories and other industrial establishments, who are engaged in the manufacture of material in large quantities for the purpose of the company, I should say that one-fifteenth, if not one-twelfth, of the people of the country directly or indirectly receive their income from the company.

"The dividend from land interest account will be the same in the current year as it was in the last, namely, one per cent. in two semi-annual instalments of one-half per cent. each."

Mr. R. B. Angus seconded the adoption of the report, which was unanimously agreed to.

Western Ontario Railway.

On motion of Mr. Evans, seconded by Mr. Nowlan de Lisle, approval was given to an agreement with the St. Mary's and Western Ontario Railway Company for a ninety-nine-year lease, on its completion, of that company's line from St. Mary's, Ontario, to a connection, at or near the village of Embro, with the proposed extension of the Tillsonburg, Lake Erie & Pacific Railway leased to your company, a distance of about fifteen and a quarter miles. The rental to be paid is forty per cent. of the gross earnings, but not less than $7,950 per annum, which represents the interest at four per cent. per annum of $198,250 first mortgage bonds of the St. Mary's & Western Ontario Railway Company, to be issued by that company, and which are to be guaranteed by your company at the rate of $13,000 per mile of its railway; the company having the option of acquiring the whole of the capital stock of that company at any time within twelve years on payment of the sum of $25,000.

A Quebec Extension.

On the motion of the Hon. J. K. Ward, seconded by Mr. G. R. W. Notman, approval was given to an agreement with the Northern Colonization Railway Company to construct an extension of that company's railway from Nominingue to Rapide de l'Orignal, in the Province of Quebec, a distance of about thirty-four miles, the extension when constructed to be taken over by your company at a rental equivalent to four per cent. per annum on the bonds of the Northern Colonization Railway Company, which may be issued with the consent of your company, not exceeding in amount $20,000 per mile of railway.

An Expensive Section.

On the motion of Mr. G. Wolseley, seconded by Mr. Robert Reford, authority was given for the issue of such further amount of four per cent. consolidated debenture stock as the directors might deem necessary to complete the construction of the railway from near Sudbury to Kleinburg, on the Ontario division, the stock not to exceed $10,000 per mile of the 226 miles under construction.

This line, which is necessary to provide a route entirely under the company's control between Toronto and the main line, was authorized in 1904, but it was explained that owing to the difficult character of the country and the increased cost of labor and material, the expense involved in the construction of this line exceeded the original estimate, which was not to exceed $30,000 per mile.

Faster Steamships.

On the motion of Mr. H. Beatty, seconded by Mr. A. Piddington, the directors were authorized to arrange for the acquisition or construction of two steamships to meet the requirements of the Pacific trade, or to build two larger and faster boats for the Atlantic service and transfer the Empress of Britain and the Empress of Ireland to the route between Vancouver and Hongkong.

Lake and Coasting Boats.

Authority was given, on the motion of Mr. C. R. Hosmer, seconded by Senator Forget, for the issue of four per cent. consolidated debenture stock to the amount of £305,000 sterling, to cover the cost of the new Great Lakes steamships Keewatin and Assiniboia (£180,000), and the cost (£125,000) of a new steamship now on order for service between Vancouver, Victoria and Seattle. It was explained that this last named vessel will be a twin screw steamship of the general type of the Princess Victoria, now running on the Vancouver-Victoria-Seattle route, and would have a tonnage of 2,500 and a length of 350 feet.

Directors Re-elected.

On a ballot being taken, the following retiring directors were re-elected for a further term of four years: Mr. E. B. Osler, M.P.; Mr. R. B. Angus, Sir William C. Van Horne, K.C.M.G.; the Hon. L. J. Forget.

Not one word of general discussion had taken place throughout the meeting, and what may be taken as the shareholders' verdict was voiced as the close by Mr. W. H. Evans, who moved a vote of thanks to Sir Thomas Shaughnessy and the directors for the marked success of the company and the first-class report presented.

"The figures almost stagger one," he said, "but they show most careful work right from the foundations up, and the reassuring words we have had as to the prospects in the Northwest and Canada generally, I think, will go home, and do us all a great deal of good, especially those who have been writing in a pessimistic manner in the papers lately."

The motion was seconded by Mr. Notman, and unanimously carried.

The meeting then terminated.

After the meeting of shareholders had been concluded there was a meeting of the directors. At this meeting Sir William C. Van Horne, K.C.M.G., was re-elected Chairman of the Board. Sir Thomas G. Shaughnessy, President of the company, and Mr. David McNicoll, Vice-President, and the following were appointed the Executive Committee: Sir William C. Van Horne, K.C.M.G., Chairman; the Right Hon. Lord Strathcona and Mount Royal, G. C.M.G.; Mr. Richard B. Angus; Mr. Edmund B. Osler, M.P.; Sir Thomas G. Shaughnessy; Mr. David McNicoll.

THE BLACK LIST

The Financial Post will publish, as occasion demands, a list of new flotations under the above term, which signifies that they are advertising in black type, in a manner designed to attract the unwary. While we do not in all cases say that the flotations are fraudulent, we believe them to be of unsound character.

NATIONAL BANK OF CANADA—Promoter, F. H. Malcolm, of Winnipeg. Name unauthorized. Charter has expired. Involves much watered stock. Entirely unsound.

STERLING DEBENTURE CORPORATION of New York.—A partnership of former book agents, who do not advertise extensively in newspapers, but have an immense mailing list, covering the United States and Canada. Their promotions include: The Telepost, the American Telegraph and Telephone Co., and the Oxford Linen Mills.

HIGHLAND MARY.—A Larder Lake prospect at 10 cents a share. Promoted by Law & Co., who are responsible for Blue Bell and Lucky Boys. This firm operates from the Traders Bank building, Toronto.

COBALT CENTRAL.—While great accounts are given of the development work, the sale of shares is now being exploited by J. J. Bamberger, of New York, and the Union Security Co., of Chicago, two concerns that nobody but a fool would entrust with his money.

NEW YORK ELECTRIC AIR LINE.—The blanket advertising has ceased in Canadian papers for the time being. Burr Bros. & Co., who used to occupy whole pages of the New York daily papers, are now exploiting the Ellsmere Farm Co.

The Bank of Commerce has opened a branch at Nokomis, with Mr. R. W. Beikie in temporary charge.

Mr. George Burn, general manager of the Bank of Ottawa, is on a visit of inspection to the West. In an interview at Winnipeg he said that the financial situation was due to the country's expanding faster than its capital, and pointed to the large increase in loans which was not equalled by the increase in deposits.

WHEAT COMING TO MARKET

MANITOBA GRADES SO FAR SHOW WELL.

The Situation in the Territories—Many Districts Will Make Poor Returns—Farmers Should Avail Themselves of Present High Prices—Financial Reasons Also Demand an Early Marketing of the Crop—The Price of Lumber Begins to Tumble—One of the Blessings of Tight Money.

Winnipeg, Sept. 30.—The past week has seen the new crop really start moving. The weather, though quite cold, has been dry, so that threshing has been general in Manitoba. Cars have been coming along at the rate of 100 to 150 a day, and if the present weather holds the receipts should double before long. The grading up to the present time has been a matter for great congratulation. The greater portion of the wheat has been inspected one and two northern, and practically none of it has fallen below three northern. It must be remembered that nothing has come yet from the two western provinces. The cars received have all come from Manitoba, which always markets its crop the earliest. Therefore, the first receipts this year are certain to be the best, and we must not be lead into believing that the crop is up to the average merely because it grades well for the first two or three weeks. Later on the lower grades will show up. Prices continue to be very satisfactory and should result in the farmers rushing their grain to market. There can be no excuse for them to hold this year in anticipation of a rise. In fact, there is more chance of a decline if they were to hold until next spring or summer. At present Europe wants all the wheat she can get owing to a shortage in Russia and poor crops in Germany and England. She is willing to pay extraordinarily good prices for supplies during the next three or four months, but this does not mean that the same conditions will prevail next summer. The Argentine crop is harvested in December, and begins to reach Europe in February. If they have a good result it will make the demand for our wheat so much less.

Another reason why the farmers should hasten to sell this year is the extent of their indebtedness. No doubt this is always the case in the fall of the year, but it is not every year that money is wanted so badly by all departments doing business in the west—retailers, wholesalers, and finally, the banks. If the situation is to be relieved, the farmer must be made to sell and must be forced to pay his debts with the amount realized. The whole thing hinges on the farmer. When he is allowed too much credit it simply means he is going to speculate in land with the money which should have gone to his creditors. The prices being paid at the country points in Manitoba are around 91 and 92 cents per bushel for one northern wheat. These prices are clear to the farmer and are higher than have obtained since 1900. The great aim, therefore, for everyone should be to get the crop sold, so that the money resulting therefrom may be distributed throughout the country.

Samples of new grain have been received from Saskatchewan, though no cars have come forward. From these it is possible to size up the different districts with more accuracy than before. We find the Soo Line, from North Portal to Pasqua, contains a lot of good wheat. Cutting seems to have been well advanced in this section before the frost struck it, with the result that it will have a large proportion of high-grade wheat. The Arcola line has not been so fortunate. The eastern portion of this branch, from Reston to Manon, was hailed out, and the central portion from Arcola to Stoughton completely frozen. The crops were very heavy and had not ripened when a killing frost overtook them. From Stoughton to Regina, where the line joins the C.P.R. main line, the results will vary. Some farms have been frozen, while others escaped without damage. The prospects are that this section will market a very mixed lot of wheat, from one northern down to feed. Around Moose Jaw the crops are fair, the main line from there east being mostly frozen, but having farms in odd places which escaped and which will, therefore, have high-grade wheat. The Kirkella line, which branches off the main line of the C.P.R. at Kirkella, and runs north towards Saskatoon, is probably the worst off of any this season. It was caught by a heavy frost when the crops were quite green, and it is feared that there will be hardly anything to market. The Prince Albert branch, running from Regina north, will also be poor, except in odd places, where the land being light the crops are always early, such as Saskatoon.

On the main line of the Canadian Northern in Saskatchewan, the grain is badly frozen and the same applies to the whole of Alberta, from Calgary to Edmonton. What we are hoping for now is warm, dry weather, so that the frozen grain may become properly cured and hard. It will then keep until used, whereas, if the season is rainy and damp it will be impossible to handle this low-grade stuff before it goes bad.

Some months ago, in discussing the commission enquiring into the lumber business of the west, we predicted that the price of lumber would come down from natural causes without the aid of any commission to prevent the formation of a trust. We pointed out how the rise in the price of lumber had come from several causes, and how we were due for a decline. It is now evident to everyone that this decline is here. With tight money and poorer crops than usual, there has come a great falling off in the demand. The supply, on the other hand, is larger than ever before as the big profits of the last few years induced more mills to start up. These have been running full blast and have come to the point when their orders are filled and their stocks beginning to accumulate. When they are not selling their output, it is natural for them to reduce their prices in an effort to keep their stock turning over.

In the city of Winnipeg there is hardly any lumber being ordered, and the same conditions obtain throughout the country. People are trying to economize and farmers decide in a year like the present to postpone improvements they would otherwise carry out. Lumber dealers, finding themselves stocked up and being pressed for money, are willing to cut prices to effect a sale, and thus prices decline. This is one of the good features of tight money and hard times. The west wants cheap lumber and if the price were forced too high the settlement of the country would be retarded.

Winnipeg has had a development and industrial bureau for some time. This is an association of the business men to advertise the city and try to induce manufacturers to locate here. At present they are asking for subscriptions to carry on the work for the coming year. There is no doubt that advertisement pays the country and city, as well as for the individual or firm. This bureau of the city of Winnipeg has advertised not only the city, but also the whole western country, and has been responsible for numbers of settlers coming in, especially from the United States. Everyone interested in the development of the west should support it.

During the week several rumors have been circulated regarding the standing of some of our largest business firms. These rumors, fortunately, are without foundation, and are believed to have been spread with malicious intent. It would be well if the persons guilty could be detected and severely punished for these falsehoods. Even if a firm is in difficulties, no good can come from spreading the news prematurely, and when a report is sent around about a really prosperous and sound concern it amounts to a crime.

BRITISH RAILWAY CRISIS.

It is the Overshadowing Issue in England.

London, Sept. 21.

A month ago, dealing with the speeches of the chairmen of the leading British railway companies at the half-yearly meetings, I mentioned that the market was by no means pleased with the official attitude then outlined with regard to the agitation among the employes. It was thought that the unconciliatory views expressed would have the effect of precipitating a crisis, and this has now come about. Mr. Richard Bell, M.P., secretary of the Men's Union, states that, during the past few weeks, the rush of new members has been considerable, and that pressure upon his executive has become so great that matters must come to a head. It is "now or never." At the demonstration held in Manchester last Sunday, it was announced that a ballot of the members of the union would be taken, and that upon the result of this will rest the future course of action. Meetings that have been held in various railway centres and independent press enquiries among the men leave little doubt as to what the voting is likely to show—whatever view may be held as to the merits of the questions in dispute it must unhappily be conceded that dissatisfaction with their conditions exists apparently among all grades of railway employes.

The Point at Issue.

During the last few days there has been a substantial fall in the stocks of the leading Home Railway companies, and many now stand at the lowest levels of the year. In the market the general view is that a strike will be avoided, but no very clear idea exists as to how the difficulties with which the position is surrounded will be surmounted. The men's leaders have formulated an extensive programme, but for the time being the question at issue is whether the companies are to recognize the union. The directors state that to do so would be to permit undue interference with management, but Mr. Bell argues that there is no such desire on the part of the men, who merely wish that in negotiations regarding their conditions they shall have their skilled advisers to assist them in the deliberations just as the directors are aided by their skilled advisers at the head of the various departments. Unfortunately, our railway directors are not men accustomed to the compromises of everyday commercial life. They are, in the main, recruited from our landed aristocracy, and it is to this that their unbending attitude may, perhaps, be attributed. In all other industries capital has long ago recognized organized labor, and the men's union is recognized by its own account. Employers realize, in fact, that there are many advantages in dealing with a responsible official representative of their men rather than with a number of discontented individuals.

Is a Strike Likely?

Even in the railway industry, the most progressive of our leading companies — the Northeastern — together with one or two minor undertakings, have recognized the men's union for some years. It may be argued that the result in these instances has been that the men have secured greater concessions than they have obtained from other companies, but it is noteworthy that the Northeastern's dividend record during the last few years has been more satisfactory than that of any other important British railway. With regard to the men's long list of demands, it is recognized that some of these might be granted without entailing heavy additional cost, and, for example, the point that there shall be two men instead of one in the motor cab of all electrically-propelled trains, would be in the public interest, while others, fair and desirable enough in themselves, cannot be expected under circumstances now existing in the railway industry. The point at issue at the moment, however is not the full programme, but whether the railway companies shall recognize the union, and on this point public opinion, as reflected by the leading newspapers on both sides of politics, appears to be with the men. Under these circumstances, between now and Nov. 1, some satisfactory modus vivendi should be discovered. The public interest demands Government interference, and it is likely that an inquiry will be instituted.

The Cobalt Consolidated.

I referred a few weeks ago to some good assay results—which may, of course, mean little or nothing—published here by the Cobalt Central Co. Other good figures have been forthcoming this week, "a cable received from New York" stating that three assays taken from the lower drift on Sept. 6 gave 819, 208 and 1,000 ozs. silver to the ton, respectively. These figures have been since officially vouched for on behalf of the company's representatives here. Other Cobalt news is to the effect that the shares of the Power City Cobalt mines are being placed here, and that an agitation is in progress to obtain the restitution of money invested in the shares of the Canada Consolidated Cobalt Co., which, since The Financial Post's expose, have been quite unmarketable. One Leslie, the promoter, is still on the Continent, and no information can be obtained at the London offices. The Stock Exchange Committee has not yet granted a special settlement in the shares, but unless the money is returned—and this, I believe, is improbable—this must sooner or later take place. I understand that some £15,000 has been obtained from the British public in this connection.

Coming New Issues.

For the moment the railway question overshadows all others and during the next six weeks, while the ballot is in progress, investment business generally is likely to be restricted. Easier money conditions have helped gilt-edged securities, but foreign exchanges are moving against us, and the usual seasonable demand for gold will probably cause, at least, temporary stringency in the near future. Moreover, there are numerous new loans of the high class investment type in prospect. It is anticipated that in the near future, there will be an offer of Transvaal treasury bills, guaranteed by the British Government, in order to tide over requirements until a permanent stock issue may be made. Several Crown Colony issues are known to be impending, and private placing of Chilian treasury bills of eighteen months' currency, bearing 6 per cent. interest, has been in progress for some time. Chili is just now expending large sums for military and naval purposes, while Brazil and Peru are similarly engaged with an objective which is not apparent on the surface. A new Santa Domingo loan is also impending and a big rubber trust, to acquire interests in rubber producing companies which are just now enjoying a remarkable boom, is in process of formation.

G. J. H.

BOND NOTES.

Clinton, Ont.—The ratepayers have voted upon a by-law to raise $53,000 to establish a system of waterworks. D. L. McPherson, clerk.

Lethbridge, Alta.—The ratepayers will vote, on Oct. 28th, to issue for waterworks extensions $12,000 40-year 5 per cent. debentures and $13,500 20-year 5 per cent. debentures for local improvements. George W. Robinson, secretary-treasurer.

Lumsden, Sask.—A by-law to raise $12,000 for installation of waterworks will probably be voted upon. W. B. Watkins, clerk.

Maple Creek, Sask.—Yesterday the ratepayers voted upon a by-law to raise $15,000 for completion of the waterworks. Arthur Burnett, clerk. (Result not learned).

Markham, Ont.—On Oct. 22 the ratepayers will vote on a by-law to issue $6,000 5 per cent. 20-year debentures; $3,000 for permanent sidewalks and $3,000 for the construction of approaches to the new bridge over the Rouge river. M. White, clerk.

Selkirk, Man.—H. W. Newton, secretary-treasurer of school district No. 69, asks bids for $11,000 5 per cent. 20-year installment debentures.

Sudbury, Ont.—The Railway and Municipal Board have approved of a by-law to raise $10,000 for waterworks extensions. Steven Fournier, clerk.

Woodstock, Ont.—The city will probably raise $50,000 to erect a new municipal building. John Morrison, clerk.

BANK NOTES.

Bankers throughout Germany are credited in cables to the New York Herald with having averted the threatened financial crisis, and while money is still very scarce, conditions have been helped by the small amount of withdrawals from the banks and by America's prompt payment for goods exported. The banks cooperated in extending the credit of reliable industrial enterprises to enable them to continue business without new loans.

During the year ending Sept. 1st, 1907, burglars made six successful and eight unsuccessful attacks on members of the American Bankers' Association, netting the criminals $12,643, while non-members of the association lost $100,499 by burglaries.

The American Bankers' Association at their convention in Atlantic City last week referred to the executive committee a resolution favoring a different color for each denomination of a bank note. The colors favored were: Slate, $1; brown, $2; green, $5; blue, $10; yellow, $20; pink, $50; white, $100, and over. It was also suggested that all stationery should be of uniform size, three by seven and a half inches, in tints as follows: Checks, white; bills receivable, green; certificates of deposit, pink; drafts, yellow; receipts, slate.

The Crown Bank, in its suit against the London Guarantee & Accident Company, has obtained an order of the court permitting Banwell to testify. Of the sum of $48,000 with which Banwell absconded, the Crown Bank recovered all but $1,700—but the expenses in locating him and bringing him back from Jamaica were $8,000, the expenses being $1,700 for the shortage and $800 for expenses. The Crown Bank claims the company is liable for the loss and disbursements on two policies, one $5,000 on Banwell, and $6,000 on the accountant through whose negligence, it is urged, Banwell's theft was made possible.

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YORK COUNTY LOAN.

The defunct York County Loan and Savings Co., to whose creditors the liquidators, the National Trust Company, expect to declare an interim dividend some time, but not in the near future, as first stated in the daily press, has 114,000 claims against it, representing $4,000,000. These are chiefly small depositors secured all over Canada by active canvass, chiefly among laborers and servants. The cost, however, of securing and collecting these small sums was a very high percentage and was sufficient to doom the undertaking to failure. The money which was not appropriated by the manager was tied up in a large parcel of real estate in Toronto. There was only one end to such financing. Fortunately, the real estate was well chosen, and owing to the rise in values, it will ultimately show a good profit, but not sufficient to compensate for other failures. The mailing of the dividend cheques will cost $5,000 in postage and envelopes.

A picturesque figure and an eloquent speaker at the American Bankers' Association was William S. Witham, of Georgia, who is the president of 108 small banks located throughout the south.

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AMERICAN BANKERS.

(Continued from page 1.)

greatly improving upon the English system in respect to elasticity and ability to serve commercial interests. Yet in this country the manifest advantages of a central bank of issue are brushed aside on the assumption that public sentiment will not tolerate it. Public sentiment changes with great rapidity and has undergone, and is undergoing, pronounced change in the matter of centralization of power and the centralization of the control of corporations in the national government. Why should not those who essay to champion the interests of the people as opposed to the banks favor a national bank with a board of direction a majority of whom are appointed by the government, similar to the Reichsbank in Germany? Such a bank, like other business enterprises, should earn a reasonable increment upon the capital invested, but at the same time the altruistic influences, personated by the government, would largely control.

The Note Issue.

"The note-issuing privilege and the rate-making power would be exercised, not in the interest of one locality, but of all. The Bank of England rate, the Bank of France rate, and the Bank of Germany rate exercise a controlling influence in these countries by force of example and force of competition. The Bank of France has branches throughout France and the same rate of discount obtains at all branches on the same day. The Credit Foncier, the great mortgage bank of France, extends loans by giving to the borrower its debentures, which are listed and quoted upon the Paris Bourse every day. This bank is allowed to charge a commission of ⅝ of 1 per cent. on its debentures given to borrowers, in excess of the rate quoted that day on the Paris exchange. As a matter of fact, the borrower receives money or its equivalent, but the above method is employed to insure to all borrowers throughout France the same rate on the same day. By example, as well as money power, similar institutions could be made to exercise a most wholesome influence in bringing about a more uniform rate of interest throughout our country. A central bank could render even greater service in preventing the wide and wild fluctuations in the rate of interest which, under our present system, have such a disturbing influence upon business affairs. A disturbance in money rates seems to characterize crop-moving periods. It is natural, perhaps, that a higher rate of interest should accompany periods of business activity, in accordance with the law of supply and demand, but fluctuations at the rapid rate which obtains in this country are properly chargeable to our currency system. Were proper power given to such a central bank of issue, interest rates could be kept reasonably uniform in this country, the same as they are in other great commercial nations of the world. With this pronounced trend in favor of centralization, with the popular and growing demand that all corporations, national in their scope and character, be regarded by the national government, is it not logical and fair to assume that public sentiment will presently demand that the government's receipts and disbursements shall be made through a central bank, thereby keeping funds in the channels of commerce and avoiding the embarrassment and injury which result from the absorption of funds and the subsequent deposit of the same in a lump sum in the banks, which is the practical working of our sub-treasury system, and will not an intelligent public sentiment demand that our currency—the life-blood of all industry—be regulated and controlled through the instrumentality of a government-controlled central bank of issue? The very people who inveigh against banks as a whole will presently demand this in furtherance of the purposes they now have at heart. Why will not a government-controlled central bank of issue, where the banks of the country in good credit can, within proper limitations, discount their receivables, receiving the proceeds thereof in bank notes, afford the best solution of the currency question?"

SELF HELP SERIES

This is a department which we hope will be found inspiring and interesting to young men and women. There will be thousands of them in the employment of subscribers to the Post. The attention of the employers might also be directed to these articles.

LESSONS OF AN HONORABLE CAREER.

XXXIX.

Edward Yates, of London, who died recently, began business as a journeyman bricklayer: he became and was for many years very rich, and died worth about $5,000,000. His career was sufficiently interesting to warrant attention as an illustration of the possibility of a poor man's becoming rich in a country which is unthinkingly supposed to afford few, if any, such opportunities, and also as a demonstration of the possibility of acquiring a fortune without resort to speculation or any of the devices of high finance. But there are two other points in his career which are more novel than these and which are worthy of particular attention, says the New York Tribune.

One is that Mr. Yates was always distinguished by the thoroughness and substantial quality of his work. As a bricklayer working for daily wages, he was marked among his fellows as the most careful and trustworthy workman. He saved his money and when he had enough he put it into the erection of dwelling houses. When he began building houses on his own account he maintained the same practice. There was no Buddensiek work, no jerry-building in them. He built them to rent to tenants and to make money out of but he built every one of them as carefully and as substantially as though it were for his own personal occupancy, and he wanted it to last a lifetime without repairs. "Yates' houses" became proverbial in Walworth and Nunham as houses which were always well built and always in good repair. Yet they were very profitable, and he made his great fortune out of them.

The other point is that he built nothing but individual houses. He never put up a single tenement, flat or apartment house. The temptation to do so was strong. Others were doing it all around him, and it was supposed to be far more profitable to do so than to build houses. But he was steadfast in his belief that it was better for families to have each a home of its own than to be assigned to cells in a vast hive, and that moreover, people would prefer houses to flats if they could get them. To that supposed preference he consistently catered, with unsurpassed success. It has been credibly stated that his well-built houses proved actually more profitable than the cheaply built flats which his competitors erected.

His operations were upon a sufficiently extensive scale and continued through a sufficient time to demonstrate these general principles. He was engaged in the building trade 45 years. In that time he built probably upward of 4,000 houses, and he retained the ownership of them to the end. He was able, despite the thoroughness of their construction, to let these houses at from $100 to $200 a year. His receipts amounted to $500,000 a year. He paid good wages to his employes, granted annuities to many of them, was liberal with his tenants, gave vast sums privately to deserving causes and lived a blameless life.

THE LAW AND THE PROFITS.

"It is always refreshing," says a Cleveland lawyer, "to hear of an attorney who will not undertake a shady case. I know of at least one such, a lawyer in Toledo.

"At one time a chap in business in that town known to be practising questionable methods, sought to retain the Toledo lawyer, and was smoothing over his crooked conduct as well as he knew how, when the attorney astonished him by exclaiming:

"'I think you have acted like an infernal scoundrel, sir!'

"'Is there any charge for that opinion?' asked the man, as he rose to go.

"'Yes sir; five dollars!'"—Harper's Weekly.

TO SAVINGS BANK DEPOSITORS.

Don't take too seriously the claims of certain kindly disposed gentlemen who thunder away at the evils of high finance or the parsimony and greed of bankers who, they claim, take ninety-nine cents out of every dollar of profit they make out of your money, while they dole out to you the one cent that is left. These gentlemen are impostors. They want your money. They have stock to sell. Usually stock of a very doubtful value, as experience has proven, was often the case. They take this method of enticing money-savers, for, as they are keen judges of human nature, they know it is much easier to reach your pocketbook via greed than by telling the truth. Men who have something to sell, and who try to sell it by tearing down another's legitimate business, have in them the microbe of dishonesty, for were it otherwise they would tell the truth, which would plainly show that nearly all their statements are falsehoods.

Prescott's history of the Conquest of Mexico was used recently by a man in Denver to describe a gold mining property in Mexico. He borrowed from it literally the legends and traditions about some lost Spanish mines of great riches which he used as facts about the mines he was endeavoring to interest investors in. The photographs ornamenting the prospectus he stole from somewhere else. These facts were brought out at a trial the United States Government was prosecuting in Denver to convict some swindlers for defrauding people through the mails.

Yet this illuminating short story of how a fraud was operated is not an exception. There are hundreds of mining company's prospectuses conceived in as base a manner. Their sponsors don't care what they say, how they debauch the truth or whose illustrations they use as long as they can induce credulous people to buy their gold bricks.

It behooves investors to find what lurks behind elaborately gotten out prospectuses. Let not the shimmering art of the printer's craft or the glib tongue in type of a confidence man blind your usual good judgment and divest you of your money.—The Financial World.

CANADIAN NORTHERN.

Canadian Northern is making good increases in earnings. In fact, net earnings are gaining at a rate of forty per cent. for the first two months of the fiscal year. The August statement is:

	1907.	1906.	Increase
Gross earn	$[illegible]35,600	$594,900	$240,700
Net earn	216,400	192,100	24,300
Mileage in op.	2,874	2,433	441

For the first two months of the fiscal year, as compared with a similar period in 1906, substantial increases are also shown, as follows:

	From July 1, 1907, to Aug. 21, '07	From July 4, 1906, to Aug. 21, '06.	Ag. In.
Gross earn	$1,859,900	$1,198,700	$[illegible]61,200
Exp.	1,281,500	800,700	480,800
Net earn.	57[illegible],400	398,000	180,400
Mile in op	2,874	2,433	442

The gross traffic earnings for September were $758,300, and other income should bring the total up to the average of July and August. The earnings for the last nine days of September were $206,200, an increase of $25,300 over the corresponding week last year.

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The BUSY MAN'S MAGAZINE

Toronto

In an interview given last Saturday at Winnipeg, while proceeding on a visit of inspection west, Mr. C. A. Bogert, general manager of the Dominion Bank, said: "Don't look for any easy money until next summer at least. The cause of the money stringency is over-prosperity. There is not enough money in Canada. We have a wonderful country here, and we want new money to develop it. I think the Canadian banks are adopting a very wise policy in endeavoring to restrict speculation of every description and looking after the legitimate wants of legitimate borrowers. Just now they are and have been making every effort to get the crop moved quickly, or get it out of the country and get the money back in. It's money that we want, and no doubt the people out here can do a great deal to assist the banks in getting the crops out. This last year a good many things kept us back. The season opened late and the strike of the longshoremen in Montreal delayed a good deal."

Canadian Stocks

Quotations of Securities listed on the Montreal and Toronto Stock Exchanges, with prices at closing on Friday of each week. In stocks listed on both Exchanges, prices quoted are those of the market in which a stock is the more active.

Active Stocks

Par Value	Outstanding Common Stock	Outstanding Preferred Stock	Bonds	Reserve Funds Profit and Loss	Last Dividend Date	Last Dividend Per cent.	STOCK	Range for year 1906 High	Range for year 1906 Low.	Range for 8 months, 1907 High	Date	Low	Date	Closing one year ago, Oct. 4. Ask	Closing one year ago, Oct. 4. Bid	Friday, Oct. 4. Ask	Friday, Oct. 4. Bid	Range for week ending Oct. 3, in market of activity First	High	Low	Last	Sales
							BANKS															
50	10,000,000	....	....	5,000,000	1st Sept.	q. 2	Commerce	190½	169½	180	Jan.	163	Aug.	188	....	......	161	160½	°160½	160½	160½	1
50	3,746,919	....	....	4,721,610	1st Oct.	q. 3	Dominion	283	262½	267	Jan.	*220	June	272	271	234	......	234	234	233	233½	226
100	2,470,360	....	....	2,470,360	1st Sept.	q. 2½	Hamilton	233	210	217	Jan.	195	Aug.	....	....	......	194	194	°194	194	194	1
100	4,842,834	....	....	4,842,834	1st Aug.	q. 2¾	Imperial	254½	225	230	Jan.	216	June	....	234	217	......	216⅞	217	216¾	216¾	54
100	6,000,000	....	....	4,000,000	1st Sept.	q. 2	Merchants	176	160½	170	Jan.	159	May	....	175	160	......	158	160	158	159	29
100	1,000,000	....	....	1,000,000	1st Oct.	q. 2	Metropolitan	202⅛	192	192½	Mar.	192	Mar.	....	197	......	......	......	......	......	......	......
100	3,335,640	....	....	3,335,640	1st Oct.	q. 2½	Molsons	230	204½	215½	Jan.	199	Aug.	225	224⅞	198	......	200	200	°198½	198½	48
100	14,400,000	....	....	11,000,000	1st Sept.	q. 2½	Montreal	261	252¼	257	Jan.	237	Aug.	256	255	238½	238	239	239	238	238	58
100	3,000,000	....	....	5,250,000	1st Oct.	q. 3	Nova Scotia	297½	273	293	Jan.	°270¼	Aug.	292	285	280	279¼	279	280	279	280	33
100	3,000,000	....	....	3,000,000	1st Sept.	q. 2½	Ottawa	233	222	226¾	Feb.	220	Mar.	....	....	......	......	......	......	......	......	......
100	2,500,000	....	....	1,250,000	1st Sept.	q. 1¾	Quebec	145	139½	145	Mar.	130	June	144	142½	......	......	......	......	......	......	......
100	3,900,000	....	....	4,390,000	1st Oct.	q. 2½	Royal	247½	222	242	Jan.	°224½	Aug.	....	....	......	......	......	......	......	......	......
100	3,000,000	....	....	....	16th Aug.	q. 1½	Sovereign	155¼	133	118	July	95	June	....	....	110	......	108	°108	108	108	1
50	1,559,555	....	....	1,659,555	1st Sept.	q. 3	Standard	250¼	223	230¼	Feb.	215	July	....	....	217	......	216	216	216	216	65
100	3,999,430	....	....	4,499,430	1st Sept.	q. 2½	Toronto	251	222	235¼	Jan.	*213	Aug.	234	232	......	202	202	°202	202	202	6
100	4,351,639	....	....	1,900,000	1st Oct.	q. 1¾	Traders	155	138½	140	Jan.	130	July	144	142½	129	......	129½	129½	129	129	59
100	3,110,510	....	....	1,600,000	1st Sept.	s. 3½	Union	158	143¼	152	Jan.	°140	Aug.	158	156¾	135¼	......	135	135½	133¾	135	148
							TRANSPORTATION															
100	121,680,000	42,720,000	101,519,411	....	1st Oct.	s. 3½	Canadian Pacific Railway	201	155¾	195⅛	Jan.	*156½	Mar.	180	179⅝	163¼	161½	163¾	169	158	160⅞	1,918
100	12,500,000	....	21,162,000	1,546,272	1st Aug.	q. 1¼	Detroit United	102	79¼	84½	Jan.	61½	June	96⅜	96⅛	63¾	63⅜	63¼	64	62½	63	586
100	12,000,000	10,000,000	20,000,000	....	....		Duluth	21	16¾	14	May	10	Aug.	20	18	......	......	......	......	......	......	......
100	1,350,000	....	600,000	252,053	1st Oct.	q. 1½	Halifax Electric	108	100	104½	Jan.	*94	Mar.	106½	....	97	*93	95	95	93	93	110
100	7,500,000	....	8,311,561	....	....		Havana Electric	50	35	45¼	Feb.	23	Aug.	50	45	30	25	......	......	......	......	......
100	....	5,000,000	....	....	15th Oct.	q. 1	Havana Electric, preferred	97⅞	79	86	Jan.	70	April	90	84	77	......	......	......	......	......	......
100	6,395,500	3,274,300	20,030,500	....	1st Oct.	q. 1½	Illinois Traction, preferred	101½	88½	94¼	Feb.	78	Aug.	95	93½	83½	82½	83¾	83¾	82½	°83	74
100	6,000,000	....	7,500,000	....	....		Mexico Tramways Co.	......	......	61	July	57	Jan.	....	....	......	......	......	......	......	......	......
100	14,000,000	7,000,000	51,865,000	....	15th April	s. 2	Minn., St. P. and Sault Ste. Marie	......	......	136¾	Jan.	91	May	155	151	96	93	......	......	......	......	......
100	9,000,000	....	2,473,333	524,770	1st Aug.	q. 2½	Montreal Street	284	211	239	Jan.	186	Aug.	280	279	187¾	186¾	183¾	190	183¾	186¼	503
100	840,000	....	....	87,100	19th Jan.	a. 6+1½	Northern Navigation	110¼	80½	104	Jan.	89	Mar.	106	103	93	......	......	......	......	......	......
100	7,938,900	....	10,385,000	....	15th Sept.	q. ½	Northern Ohio Traction	33¼	27	30⅝	Jan.	24½	June	30	28	26	23	24	24	23½	23½	35
100	3,132,000	....	323,146	362,500	1st Sept.	q. 1¼	Richelieu and Ontario	88¼	69¾	82⅞	Jan.	61½	Aug.	84	82½	61½	61	61¾	°63	61¾	63	18
100	21,993,900	....	23,284,000	....	....		Rio de Janeiro	48	38½	48¼	Jan.	38⅞	Mar.	40½	40¼	38¾	38¼	40⅝	40¾	40	40¾	1,013
100	563,300	....	....	115,996	1st Jan.	a. 10	St. Lawrence & Chi. Steam Nav. Co.	148	120	126⅝	May	120	April	....	....	......	......	......	......	......	......	......
100	8,026,637	....	6,000,000	1,785,718	1st Oct.	q. 2	Sao Paulo	146	125	138½	Jan.	99	Aug.	135	134½	107¾	107½	108¼	109	106½	108¾	565
100	12,000,000	....	10,866,000	....	1st Aug.	s. 1	Toledo Railway	36¼	25	29⅛	Jan.	23¼	Aug.	32	31	20	19¾	20	20¼	19½	20	360
100	8,000,000	....	3,613,373	2,130,708	1st Oct.	q. 1½	Toronto Railway	126	112	115½	Jan.	95	Aug.	118	117⅝	99¼	99	99	100	98½	99	371
100	9,000,000	2,600,000	6,993,000	....	1st Oct.	q. 1½	Tri-City, preferred	95	88½	90½	Jan.	80	Aug.	....	....	80	*	80	80	80	80	50
100	1,164,000	....	720,000	124,781	10th July	q. 1¼	Trinidad Electric	92	80	78½	April	70	April	....	....	......	......	......	......	......	......	......
100	20,100,000	3,000,000	16,546,000	1,281,348	15th Aug.	q. 1¼	Twin City	122¼	102½	108½	Jan.	85½	Aug.	....	113	93	92	94¼	94¼	93	93	843
100	4,500,000	....	5,000,000	908,688	1st Oct.	q. 2	Winnipeg Electric	190	160	186	Feb.	†140	Aug.	....	....	......	128	130	°130	130	130	3
							TELEGRAPH, LIGHT AND POWER															
100	10,625,000	....	3,363,000	3,849,846	15th Oct.	q. 2	Bell Telephone	158¾	145	145	Jan.	†125	Mar.	150	*146	125	120	120	121	120	120	89
50	2,500,000	....	....	2,004,149	1st Aug.	q. 2½	Consumers Gas	209	200	206	Jan.	185	June	203	....	193	......	192	192	189¾	190	32
100	41,380,400	....	....	....	1st Oct.	q. 1	Mackay, common	77⅛	57⅞	75⅛	Jan.	59½	Aug.	73⅞	73½	60⅝	60⅜	61½	61½	59⅞	60½	2,686
100	....	50,000,000	....	727,547	1st Oct.	q. 1	Mackay, preferred	76⅛	68	71½	Jan.	60	Aug.	72	71¼	61⅛	61	61½	62	60⅝	61¼	388
100	13,585,000	....	12,000,000	1,050,428	....		Mexican Light and Power Co.	70	47½	57½	Feb.	37½	Aug.	52½	52⅛	45⅝	45¼	44	46	43½	46	1,565
100	17,000,000	....	8,464,000	1,201,158	15th Aug.	q. 1½	Montreal Power	99½	86	96½	July	81¾	Mar.	96½	96	92⅛	92	92½	93	91¾	92	1,077
100	2,997,900	....	1,000,000	518,057	1st Oct.	q. 2	Toronto Electric Light	171	152	160	Jan.	142	Mar.	....	159¼	140	......	133	°133	133	133	4
							INDUSTRIALS AND MISCELLANEOUS															
100	4,700,000	300,000	....	1,969,354	1st Oct.	q. 2½	Canadian General Electric	155	130	136½	Jan.	105⅛	Aug.	140	139¾	108	103	104½	110	100	109	647
100	20,000,000	5,000,000	9,642,000	....	....		Dominion Steel, common	34¼	20½	25	Jan.	16¾	Jan.	29½	29⅞	20⅛	20	20¼	20½	19	19¾	2,246
100	5,000,000	....	....	....	....		Dominion Steel, preferred	83½	60	66½	Jan.	42½	Aug.	80	78	57	55½	56½	56½	56	56	350
100	15,000,000	....	5,612,164	1,825,940	1st Oct.	q. 1	Dominion Coal	84½	58	70¼	Mar.	42	Aug.	70¼	69½	47½	46½	45	47½	45	47½	720
100	....	3,000,000	....	....	1st Aug.	s. 3½	Dominion Coal, preferred	122	112	112	Feb.	97½	Aug.	....	....	100	95	100	°100	95	95	60
100	5,000,000	1,854,397	7,337,160	1,394,000	....		Dominion Textile, common	......	......	46	June	42	Aug.	....	....	49	45	......	......	......	......	......
100	5,000,000	1,854,397	7,337,160	1,394,000	15th July	q. 1¾	Dominion Textile, preferred	109¾	95¼	*99	Jan.	81	Aug.	104	*102	86	83¼	......	......	......	......	......
100	2,000,000	....	1,000,000	528,003	20th April	s. 3	Lake of Woods Milling	100	89	90	Feb.	65	Aug.	95½	....	73½	72¾	72	73¾	72	73	503
100	....	1,500,000	....	....	11th Sept.	q. 1¾	Lake of Woods Milling, preferred	115	108	112	Feb.	100	Aug.	114½	112	......	......	105½	105½	105½	105½	5
100	700,000	....	....	227,417	8th July	int. 2½	Montreal Steel	114	97	98½	Feb.	96	April	....	....	......	......	......	......	......	......	......
100	....	800,000	....	....	8th July	q. 1¾	Montreal Steel, preferred	115	106	106	May	°94	July	....	....	......	......	......	......	......	......	......
5	6,000,000	....	....	15,577	20th July	q. 3	a Nipissing Mines Co.	......	......	15	Jan.	6⅛	Aug.	....	....	7½	6½	7¼	7¼	6⅝	6⅝	970
100	4,987,600	....	3,752,000	2,617,051	15th July	q. 1½	Nova Scotia Steel, common	74½	60	79	Feb.	60	Aug.	69¼	67½	65	64	67	67	63	64¼	330
100	....	1,030,000	....	....	15th July	q. 2	Nova Scotia Steel, preferred	125	118	*120	Jan	111	July	....	....	......	......	......	......	......	......	......
100	1,250,000	....	1,000,000	1,209,370	Sept.	a. 7	Ogilvie Flour	......	......	......		......		....	....	......	......	......	......	......	......	......
100	....	2,000,000	....	....	1st Sept.	q. 1¾	Ogilvie Flour, preferred	130	123	121	Feb.	111	April	127	122	......	116	115	116	115	116	100

*Ex-div. †Ex-allotment a—Quotations per $5 share. °Less than ten shares.

Inactive Stocks

Par Value	Common Stock Outstanding	Bonds, Preferred Stock or Deben'res Outstanding	Reserve and Contingent.	Last Dividend Date	Last Dividend Per cent.	STOCK	Range for year 1906 High	Range for year 1906 Low	Latest price Ask	Latest price Bid	Last Sale
						BANKS					
243	4,866,666	....	2,238,666	4th Apr.	3+1	British North America	146⅛	141	....	....	152¾
100	2,950,750	....	1,860,000	1st Oct.	q. 2	Eastern Townships	163¼	160	260	157	160
100	2,487,135	....	1,600,000	1st Sep.	q. 2	Hochelaga	163	†144	....	....	140
30	1,795,929	....	750,000	1st Sep.	q. 1¾	Nationale	124	121	....	....	120
100	709,300	....	1,195,295	1st Oct.	q. 3	New Brunswick	....	....	....	....	272
						LOAN AND TRUST					
50	630,200	1,032,603	283,000	2nd July	s. 3	Agricultural Loan	....	....	....	....	122
100	1,004,000	3,138,798	515,000	2nd July	s. 3½	Canada Landed	125	117½	....	120	122
10	6,000,000	13,857,807	2,450,000	1st July	s. 3	Canada Permanent	131	124	118½	....	118
100	1,500,000	4,673,890	1,050,000	1st Oct.	q. 2	Central Canada	172	160	....	160	160
10	2,398,701	{p 2,456,900 d 147,413}	119,808	1st July	s. 3	Col. Investment, preferred	89	75	60	54	60
50	934,617	394,045	107,590	30th June	s. 2	Dominion Savings	73	70	....	70	70½
100	1,100,000	1,671,417	504,080	2nd July	s. 3	Hamilton Provident	124	120	120	....	120
50	1,900,000	5,271,479	1,600,000	2nd July	s. 4½	Huron and Erie	188½	183	....	180	180
100	735,481	547,746	78,720	2nd July	s. 2½	Imperial Loan	70	70	....	....	70
100	700,000	1,005,434	310,000	2nd July	s. 3	Landed Banking	125	121	....	121	124
50	1,000,000	2,243,355	264,310	2nd July	s. 3	London and Canadian Loan	111¼	105	101	....	101
50	686,891	518,919	134,000	1st July	s. 3	London Loan and Savings	....	....	....	....	119
25	500,000	....	438,096	15th Mar.	s. 3½ plus ½	Montreal Loan	138	*133¼	....	....	133
£10	£150,000	£598,225	£145,000		5 s. plus 2½	North of Scotland	....	....	....	....	....
100	1,000,,000	....	450,000	2nd Oct.	1¾	National Trust	157	155	....	157	158
50	1,200000	1,594,326	685,000	2nd July	s. 3¼	Ontario Loan and Debenture	140	128¼	....	131	130½
40	373,720	119,260	82,500	2nd July	s. 2½ plus ½	Real Estate Loan	90	85	....	....	85
100	1,000,000	....	375,000	2nd July	s. 3¾	Toronto General Trusts	160	140	....	....	150
50	724,550	1,274,108	305,000	2nd July	s. 3	Toronto Mortgage Co	115½	105½	112	....	109

Par Value	Common Stock Outstanding	Bonds, Preferred Stock or Deben'res Outstanding	Reserve	Last Dividend Date	Last Dividend Per cent.	STOCK	Range for year 1906 High	Range for year 1906 Low	Latest price Ask	Latest price Bid	Last Sale
100	1,000,000	1,105,536	580,000	1st Oct.	q. 1½	Toronto Savings	....	....	....	....	126
						OTHER COMPANIES					
25	850,000	550,000	....		3 % passed	British America Assurance	98	97	....	....	97
100	1,511,400	1,270,000	....	Nov. 20, '05	3½ for 6 mos.	British Columbia Packers, pfd	80½	59¾	....	....	°75
100	2,700,000	b 2,000,000	....	15 Sept.	q. 1	Canadian Col. Cotton	60	45	....	....	50
400	1,000,000	....	44,865	1st Oct.	q. 4	Canada Life Assurance	163	163	....	....	155
100	3,000,000	....	....	Aug	q. 1	Canadian Converters, Limited	60	60	....	....	59¾
100	500,000	....	46,333	1st Oct.	q. 2	Canadian Salt	110¼	*108	....	....	108
12½	733,841	....	....		a	Canada North-West Land	500	400	....	....	435
100	565,000	....	30,000	....		City Dairy	38	21½	30	....	35
100	346,350	....	....	2nd Oct.	1¾	City Dairy, preferred	94¼	*82½	90	....	85
100	100,000	....	....	1st July	q. 3¾	Confederation Life Association	285	272½	....	....	285
50	1,000,000	....	....	15th Oct.	q. 1½	Dominion Telegraph	121	*119	117	*	118
100	1,700,000	2,895,700	....	15th July	s. 2¾	Hamilton Electric Power, pfd	....	....	....	....	....
100	450,000	....	....	1st Oct.	q. 1½	Imperial Life Assurance	149	149	....	....	150
100	500,000	b 344,000	90,474	Sep.	s. 3½	Intercolonial Coal	90	84	....	....	60
100	....	219,700	....	Sep.	s. 3	Intercolonial Coal, preferred	....	....	....	....	100¼
100	1,600,000	b 1,200,000	....	5th Aug.	s. 3	Laurentide Paper	107½	89½	....	87	87
100	....	1,200,000	....	1st Oct.	q. 1¾	Laurentide Paper, preferred	114¾	100¼	104	102	106
100	404,610	b 102,083	75,000	1st Sep.	s. 3	London Electric	95	89¾	....	....	89¾
40	531,792	b 500,000	....	30th June	s. 3¾	London Street	97¼	97¼	....	....	97¼
100	3,000,000	b 350,000	....	15th Sept.	q. 1¾	Montreal Cotton	135	122	121	116	118½
40	2,000,000	....	98,098	15th Oct.	q. 2	Montreal Telegraph	171	162	155	*151⅛	157
100	701,700	b 111,000	123,953	2nd July	s. 4	Niagara Navigation	133½	117	116	....	115
100	925,000	b 819,000	....	....		Niagara, St. Cath. and Toronto	80	75	....	75	80
100	998,200	500,000	230,564	2nd Oct.	q. 2½	Ottawa Electric Railway	....	....	....	....	....
100	6,500,000	b 4,500,000	100,000	....		Shawinigan Water and Power Co.	....	....	....	....	57
20	1,500,000	1,000,000	....		passed	Western Assurance	98	96	....	....	96
100	600,000	b 1,100,000	....	July	s. 4 plus 1	Windsor Hotel	105	100	....	....	105

NOTE.—s means semi-annually; q.—quarterly; plus indicates bonus; b. means bonds. p.—Preferred stock. d.—Debentures. o.—Less than ten shares. a.—$12.50 per share return of capital payable March 15, 1907.

THE FINANCIAL CALENDAR.

Week Ending October 12.
Annual Meetings.
Oct. 9—Dominion Iron & Steel Co.
10—Ogilvie Flour Mills Co.
10—Grand Trunk Railway Co.

BANK CLEARINGS.

Do They Indicate Trade Reaction or the Late Harvest?—General Decrease for the First Time This Year.

For the first week this year there has been a uniform decrease in bank clearings all over the country, except in British Columbia, where the growth has been exceptional, but even there the big gains have been lost. The clearing house figures indicate a slackening of trade. Whether this is the beginning of the long-expected reaction or is caused by the lateness of the harvest is open to discussion. The losses are small and are not unhealthy. The crop has not been moved anywhere as early as last year, and this factor is at present sufficient to account for the small losses. The bank clearings will bear watching for the next few weeks.

	1907.	1906.
Montreal	$31,507,270	$32,936,375
Toronto	23,407,593	25,481,445
Winnipeg	10,207,153	11,366,560
Vancouver	4,377,833	3,160,523
Ottawa	2,896,3[illegible]5	2,997,138
Quebec		
Halifax	1,7[illegible]2,220	1,942,799
Hamilton		
St. John	1,157,619	1,460,092
London	1,200,502	1,187,839
Victoria	1,132,589	1,099,100
Calgary	1,242,[illegible]9	1,232,882
Edmonton	795,222	717,245

THE RIGHT CHANGE.

One of the little things that comes up frequently between customer and clerk is disputing over change. Occasionally the net result is deadly to the store. Many a good customer has been known to leave the store for good because of such a difference.

"I gave you five dollars," said the customer.

"No, ma'am, it was a two-dollar bill," says the clerk.

But the customer knows different and is sure she is right. And the clerk is equally sure.

You know how such differences arise. You also know they are well worth any little care and system that will tend to eliminate such disputes.

One of the best things yet advanced as a solution is to have the clerk always announce the amount of the coin or bill handed over by the customer.

Supposing the customer gives a five-dollar bank note in pay for goods. The clerk says immediately, "You gave me five dollars."

Then if the customer thinks that the bill was larger, the correction can be made before it is too late. This is a simple little method, but it is very effective. Many city stores now insist that this be done in every instance.

THE BOND MARKET

Week Ending October 4, 1907.

BONDS	Rate	Closing Asked	Closing Bid	Sales Week Oct. 3 $
Bell Telephone Co.	5	106¾	....	....
Can. Colored Cotton Mills Co.	6	....	....	....
Commercial Cable Co.	4	....	....	....
Dominion Coal Co.	5	74½	73½	....
Dominion Cotton Mills Co.	6	....	....	2,000
Dominion Iron & Steel Co.	5	....	....	10,000
Dominion Textile Co., Series A.	6	85	83½	....
Do. Do. Series B.	6	....	85	....
Do. Do. Series C.	6	83	82	5,000
Do. Do. Series D.	6	....	....	....
Electrical Development Co.	5	....	....	....
Halifax Electric Tramway Co.	5	....	....	....
Havana Electric Railway Co.	5	90	....	....
Intercolonial Coal Co.	5	....	....	....
Keewatin Flour Mills	6	102	....	....
Lake of the Woods Milling Co.	6	....	....	....
Laurentide Paper Co.	6	....	100	....
Magdalen Islands	6	95	....	....
Mexican Electric Light Co.	5	71½	....	19,000
Mexican Light & Power Co.	5	97	....	20,000
Montreal Light, Heat & Power Co.	4½	....	....	....
Montreal Street Railway Co.	4½	101	....	....
Nova Scotia Steel & Coal Co. 1st Mtg.	6	....	....	500
Do. Do. Cons. Mtg.	6	103	101	1,500
Ogilvie Flour Mills Co.	6	115	....	....
Price Bros. Co.	6	....	104½	....
Rio de Janeiro Tramway, L. & P. Co.	5	72	71½	31,500
St. John Railway	5	....	....	....
Sao Paulo Tramway L. & P. Co.	5	....	93	3,000
Winnipeg Elec. Street R'y. Co.	5	....	....	....
Montreal City, Stock	7	....	....	....
Montreal City, Stock	4	....	....	....

CURB QUOTATIONS.

Week Ending October 4, 1907.

NAME	Stock Issued.	Par.	Acreage.	Week ending Oct. 3 High	Week ending Oct. 3 Low	Week ending Oct. 3 Sales	Closing bid Oct. 5
Abitibi & Cobalt Mining Co.	....	1.00	....	....	....	....	....
Beaver Consolidated Mines	1,000,000	1.00	20	....	....	....	....
Buffalo Mines Co.	900,000	1.00	40	....	....	....	....
Cobalt Lake Mining Co.	3,930,866	1.00	....	.12	.12	1,800	....
Cobalt Silver Queen	1,500,000	1.00	58	.90	.90	50	....
Cleveland Cobalt Silver Mines	1,000,000	1.00	114	....	....	....	....
Coniagas	4,000,000	5.00	40	4.40	4.00	523	4.20
Foster Cobalt Mining Co.	1,000,000	1.00	40	65	.64	1,950	.62
Green-Meehan Mining Co.	1,500,000	1.00	40	....	....	....	.15
Kerr Lake Mining Co.	3,000,000	5.00	52	....	....	....	....
McKinley-Darragh-Savage Mines	2,000,000	1.00	20	....	....	....	....
Nova Scotia Silver Cobalt M. Co.	1,800,000	1.00	....	.22½	.21	900	....
Peterson Lake	2,500,000	1.00	225	.18½	.16	5,400	....
Red Rock Silver Mining Co.	1,000,000	1.00	30	....	....	....	.16
Rothschild Cobalt Co.	500,000	1.00	40	....	....	....	....
Silver Leaf Mining Co.	5,000,000	1.00	40	.06½	.06½	100	.06
Temiscaming Mining Co.	2,500,000	1.00	210	....	....	....	....
Trethewey	1,000,000	1.00	40	.57	.53	2,600	.50
University Mines	1,000,000	10.00	56	....	....	....	....

UNLISTED SECURITIES.

NAME	Stock Issued	Bonds and Pref. Stocks	Week ending Oct. 3 High	Week ending Oct. 3 Low	Week ending Oct. 3 Sales	Closing bid Oct. 4
Brit. Col. Packers' Ass'n. Com.	1,511,400	$1,270,000	....	....	....	....
Consolidated Mining & Smelting	4,698,886	....	....	....	....	....
Consolidated Rubber Bonds	} 2,141,300	{ 822,200	....	....	....	....
Consolidated Rubber Stock, Pref.		2,600,000b	....	....	....	.86½
Canada Cycle & Motor Co.	800,000	....	....	....	....	....
Dominion Iron & Steel, 2nd Mtg.	20,000,000	2,178,000	....	....	....	....
Dominion Park Bonds	400,000	250,000	....	....	....	....
Havana Central Bonds	6,250,000	6,250,000	....	....	....	.80
Illinois Traction Com.	5,810,000	3,214,300	....	....	....	....
Lachine Sinking Fund, 5 p.c. bonds	....	4,000,000	....	....	....	....
Quebec Railway, L. & P. Co.	2,500,000	2,500,000b	....	....	....	....
Rogers, Wm. A., Com.	750,000	900,999	....	....	....	.38
Rogers, Wm. A., Pref.	900,000	....	....	....	....	....
Standard Loan Co.	1,125,000	d 600,000	....	....	....	....
Sun & Hastings Savings & Loan Co.	937,000	d 52,000	....	....	....	....
Tri-City Railway & Light Co., Com.	9,000,000	2,600,000	....	....	....	....
Union Bank of Halifax	1,500,000	....	....	....	....	....
Western Bank of Canada	555,000	....	....	....	....	....
	d Debentures	b Bonds				